

39TH ANNUAL REPORT 2014-15



A Maharatna Company

VISION

"TO BE THE WORLD'S LARGEST AND BEST POWER PRODUCER, POWERING INDIA'S GROWTH"

MISSION

"DEVELOP AND PROVIDE RELIABLE POWER, RELATED PRODUCTS AND SERVICES AT COMPETITIVE PRICES, INTEGRATING MULTIPLE ENERGY SOURCES WITH INNOVATIVE AND ECO-FRIENDLY TECHNOLOGIES AND CONTRIBUTE TO SOCIETY"

CORE VALUES

**B
E
C
O
M
M
I
T
T
E
D**

Business Ethics
Environmentally & Economically Sustainable
Customer Focus
Organisational & Professional Pride
Mutual respect & Trust
Motivating Self & Others
Innovation & Speed
Total Quality for Excellence
Transparent & Respected Organisation
Enterprising
Devoted

CORPORATE OBJECTIVES

To realise the vision and mission, eight key corporate objectives have been identified. These objectives would provide the link between the defined mission and the functional strategies:

■ Business Portfolio Growth

- To further consolidate NTPC's position as the leading thermal power generation company in India and establish a presence in hydro power segment.
- To broad base the generation mix by evaluating conventional and non-conventional sources of energy to ensure long run competitiveness and mitigate fuel risks.
- To diversify across the power value chain in India by considering backward and forward integration into areas such as power trading, transmission, distribution, coal mining, coal beneficiation, etc.
- To develop a portfolio of generation assets in international markets.
- To establish a strong services brand in the domestic and international markets.

■ Customer Focus

- To foster a collaborative style of working with customers, growing to be a preferred brand for supply of quality power.
- To expand the relationship with existing customers by offering a bouquet of services in addition to supply of power - e.g. trading, energy consulting, distribution consulting, management practices.
- To expand the future customer portfolio through profitable diversification into downstream businesses, inter alia retail distribution and direct supply.
- To ensure rapid commercial decision making, using customer specific information, with adequate concern for the interests of the customer.

■ Agile Corporation

- To ensure effectiveness in business decisions and responsiveness to changes in the business environment by:
 - Adopting a portfolio approach to new business development.
 - Continuous and co-ordinated assessment of the business environment to identify and respond to opportunities and threats.
- To develop a learning organisation having knowledge-based competitive edge in current and future businesses.
- To effectively leverage Information Technology to ensure speedy decision making across the organisation.

■ Performance Leadership

- To continuously improve on project execution time and cost in order to sustain long run competitiveness in generation.
- To operate & maintain NTPC stations at par with the best-run utilities in the world with respect to availability, reliability, efficiency, productivity and costs.
- To effectively leverage Information Technology to drive process efficiencies.
 - To aim for performance excellence in the diversification businesses.
 - To embed quality in all systems and processes.

■ Human Resource Development

- To enhance organisational performance by institutionalising an objective and open performance management system.
- To align individual and organisational needs and develop business leaders by implementing a career development system.
- To enhance commitment of employees by recognising and rewarding high performance.
- To build and sustain a learning organisation of competent world-class professionals.
- To institutionalise core values and create a culture of team-building, empowerment, equity, innovation and openness which would motivate employees and enable achievement of strategic objectives.

■ Financial Soundness

- To maintain and improve the financial soundness of NTPC by prudent management of the financial resources.
- To continuously strive to reduce the cost of capital through prudent management of deployed funds, leveraging opportunities in domestic and international financial markets.
- To develop appropriate commercial policies and processes which would ensure remunerative tariffs and minimize receivables.
- To continuously strive for reduction in cost of power generation by improving operating practices

■ Sustainable Power Development

- To contribute to sustainable power development by discharging corporate social responsibilities.
- To lead the sector in the areas of resettlement and rehabilitation and environment protection including effective ash-utilisation, peripheral development and energy conservation practices.
- To lead developmental efforts in the Indian power' sector through efforts at policy advocacy, assisting customers in reforms, disseminating best practices in the operations and management of power plants etc.

■ Research and Development

- To pioneer the adoption of reliable, efficient and cost-effective technologies by carrying out fundamental and applied research in alternate fuels and technologies.
- To carry out research and development of breakthrough techniques in power plant construction and operation that can lead to more efficient, reliable and environment friendly operation of power plants in the country.
- To disseminate the technologies to other players in the sector and in the long run generating revenue through proprietary technologies.

REFERENCE INFORMATION

Registered Office

NTPC Bhawan, SCOPE Complex,
7, Institutional Area, Lodi Road,
New Delhi-110 003
Phone No.: 011-2436 0100
Fax No. . 011-24361018
Email: ntpccc@ntpc.co.in
Web site: www.ntpc.co.in
CIN: L40101DL1975GOI007966

Subsidiaries

NTPC Electric Supply Company Ltd.
NTPC Vidyut Vyapar Nisam Ltd.
Kanti Bijlee Utpadan Nigam Ltd.
Bhartiya Rail Bijlee Company Ltd.

Registrar & Share Transfer Agent

Karvy Computershare Pvt. Ltd
Karvy Selenium Tower-B,
Plot No. 31 & 32,
Gachibowli Financial District,
Nanakramguda, Serilingampally,
Hyderabad – 500 008
Phone No.: 040-67161518
Email: einward.ris@karvy.com

Shares listed at

National Stock Exchange of India Limited
BSE Limited

Depositories

National Securities Depository Limited
Central Depository Services (India) Limited

Company Secretary

A. K. Rastogi

Bankers

Allahabad Bank
Andhra Bank
Axis Bank
Bank of Baroda
Bank of India
Bank of Maharashtra
Canara Bank
Central Bank of India
Corporation Bank
Dena Bank
HDFC Bank
Indian Bank
Indian Overseas Bank
ICICI Bank Ltd.
IDBI Bank Ltd.
Jammu & Kashmir Bank Ltd.
Oriental Bank of Commerce
Punjab National Bank
Punjab & Sind Bank
State Bank of Bikaner & Jaipur
State Bank of Mysore
State Bank of Hyderabad
State Bank of India
State Bank of Patiala
State Bank of Travancore
Syndicate Bank
UCO Bank
Union Bank of India
United Bank of India
Vijaya Bank
Yes Bank

Auditors

M/s O. P. Bagla & Co.
M/s PSD & Associates
M/s PKF Sridhar & Santhanam
M/s V. Sankar Aiyar & Co.
M/s Ramesh C. Agrawal & Co.
M/s A. R. & Co.

CONTENTS

• Letter to Shareholders	5
• Notice of AGM	7
• Station-wise Generation	16
• Selected Financial Information	18
• Directors' Profile	19
• Senior Management Team	23
• Directors' Report	24
• Management Discussion and Analysis	48
• Report on Corporate Governance	62
• Corporate Social Responsibility Report	95
• Business Responsibility Report	101
• Standalone Financial Statements (SFS)	114
• Independent Auditors' Report on Standalone Financial Statements.....	154
• Comments of the Comptroller and Auditor General of India on SFS	159
• Employee Cost Summary	160
• Revenue Expenditure on Social Overheads	160
• Subsidiary Companies	161
• Consolidated Financial Statements (CFS)	254
• Independent Auditors' Report on Consolidated Financial Statements.....	296
• Comments of the Comptroller and Auditor General of India on CFS	301

GREEN INITIATIVE IN THE CORPORATE GOVERNANCE

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Reports can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail address, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to get their e-mail address registered with Karvy Computershare Private Limited, RTA of the Company.

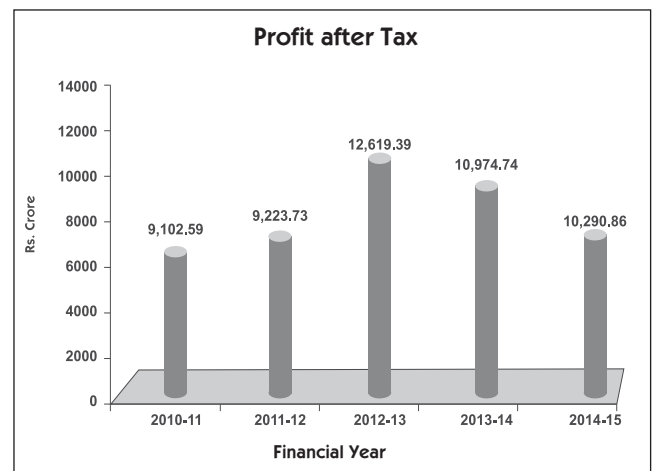
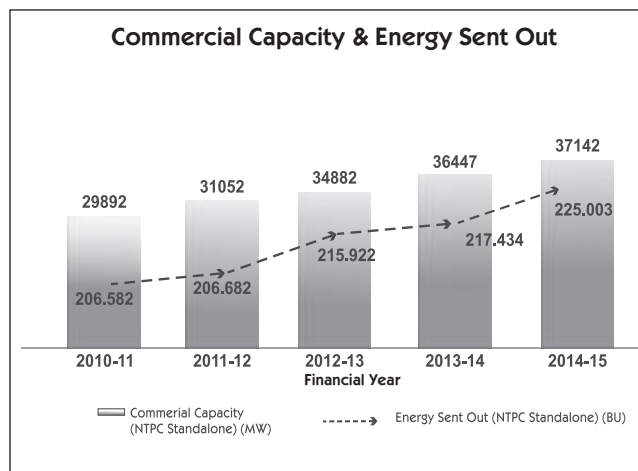
THE YEAR AT A GLANCE

		2014-15	2013-14
Gross Generation	Million Units	241261	233284
Commercial Generation	"	240847	232996
Energy sent out	"	225003	217434
Sale of Energy	₹ Crore	72528	71490
Profit before tax	"	10547	13905
Profit after tax	"	10291	10975
Dividend	"	2061*	4741
Dividend tax	"	417**	805
Retained Profit	"	7812	5429
Total Fixed Assets	"	135343	117000
Net Worth	"	81657	85815
Borrowings	"	85995	67170
Capital Employed	"	94741	92892
Net Cash From Operations	"	14235	15732
Value Added	"	25078	25966
No. of Employees #	Number	22496	23411
Value added per employee	₹ Crore	1.11	1.11
Debt to Equity	Ratio	1.05	0.78
Debt Service Coverage Ratio (DSCR)	Times	2.44	2.77
Interest Service Coverage Ratio (ISCR)	Times	6.72	8.62
Return on Capital Employed	%	13.68	14.37
Face Value Per share	₹	10.00	10.00
Dividend Per Share	"	2.50*	5.75
Book Value Per Share	"	99.03	104.08
Earnings Per Share	"	12.48	13.31

*including final dividend recommended by the Board

**including tax on final dividend recommended by the Board

excluding Joint Ventures and Subsidiary Companies



LETTER TO SHAREHOLDERS

Dear Shareowners,

I am delighted to share with you that during the FY15, your Company witnessed sustained growth and high performance. It gives me immense pleasure to outline the facts, figures and trends to showcase your Company's strong present profile and outline its robust future growth. Your Company's overall performance for FY14 earned it 'Excellent' MoU rating from the Government of India and is poised to retain 'Excellent' MoU rating for FY15 also.

Your Company has been ranked as # 1 Independent Power Producer in the world in the 2014 rankings brought out by Platts, a part of the prestigious McGraw Hill group. Your Company's total capacity crossed the 45,000 MW mark. Your Company's sustained efforts during the last five years have resulted in creation of 13,255 MW new capacity which is nearly 30% of the total capacity added in nearly four decades of the Company's history.

Marching towards its long term capacity addition target of 128 GW your Company has over 23,000 MW capacity under construction and nearly 11,400 MW capacity is under bidding. Feasibility reports for about 16,600 MW have been approved.

Imparting multi pronged thrust to growth, your Company has signed a Memorandum of Agreement with Government of Jharkhand to form a joint venture company through which it is proposed to expand the existing capacity by 4,000 MW and to bring about performance improvement of the existing units of Patratu Thermal Power Station (770 MW).

Your Company exceeded its capex target of ₹ 22,400 crore for FY15. It recorded a capital expenditure of ₹ 23,239 crore. Achieving such a huge capex targets is, in itself, a herculean task; exceeding these huge targets for two successive financial years has been an extraordinary achievement of your Company. The capex of the Company has doubled in the past five years. This should further strengthen your confidence in the ability of Team NTPC to achieve its ambitious targets.

By adding 7,295 MW, your Company has made the single largest contribution to the total thermal capacity addition during the first three fiscals of 12th Plan period.

The accelerated pace of your Company's capacity addition should infuse in you greater confidence towards the strength of the Company to remain the market leader in the future.

Your Company's generation increased from 233,284



BU to 241.261 BUs during FY15. All coal stations of NTPC achieved Declared Capacity of above 83%. Your Company's coal based stations recorded the highest PLF in the country with 80.23% compared to the national average of 64.46%, state sector's 59.83%, private sector's 60.58% and 73.96% PLF of other central sector companies. With 16.6% share in the national capacity, NTPC group generated nearly 25% of electricity in the country, underlining high generation efficiency.

Your Company's success in commissioning 800 MW (4X200 MW) capacity at Koldam Hydro Power Project and putting it on commercial generation, after overcoming numerous adversities and complexities is of very special significance and satisfaction. It highlights the tenacity, resilience and never-say-die spirit of Team NTPC.

In addition to successful completion of the Koldam Hydro Power Project, your Company is giving extra thrust to solar and is also pursuing other renewables.

Your Company has been given an important role in achieving the ambitious national target of 100,000 MW solar capacity by 2022.

Your Company will help develop 25,000 MW solar capacity, by adding 10,000 MW of its own and by facilitating through an auction process 15,000 MW capacity addition to be developed by other solar power developers.

Towards developing its own capacity, your Company has already commissioned 110 MW, work is in progress for another 250 MW and bids have been invited for 510 MW. Your Company is pursuing with the State governments for allocation of land for solar capacity addition in an expeditious manner.

Out of the 15,000 MW capacity to be set up through the auction route with your Company's help, 1650 MW capacity is under the bidding process.

Your Company is also taking up roof top solar capacity. In addition to setting up solar power plants, your Company is also taking steps to make the solar power viable with appropriate bundling of solar and coal based power. On your Company's request, Government of India issued an order in July 2015 specifying that power from older stations of NTPC which have completed 25 years (like Singrauli STPS) shall be bundled with the solar power capacity being set up by NTPC.

One very positive development for your Company during FY15 was reallocation of the five coal blocks which were de-allocated earlier pursuant to an order of Hon'ble Supreme Court. In addition to these reallocated blocks, three new blocks have been allocated to your Company in March 2015. The gross reserves of all the eight blocks are estimated to be about 5 billion tonnes. These coal blocks and reserves are extremely important in strengthening your Company's fuel security on a long term basis.

Your Company is effectively augmenting fuel supplies for its large fleet of generating units. It has rationalized coal linkages to reduce the burden on rail network with consequent reduction in generation cost. Your Company has entered into an agreement with Gujarat State Electricity Corporation Limited (GSECL) for swapping the coal being imported for NTPC-Sipat with the domestic coal of GSECL. This saves both the utilities ₹ 160 crore each. Thus, it is a win-win arrangement benefitting all stakeholders, including the consumers.

Your Company began a major initiative for ensuring quality of coal through 'Third party sampling' in most of the coal stations of NTPC.

In addition to taking steps for supply of better coal in larger quantities, your Company also successfully secured RLNG for its gas projects at Auraiya (663 MW) and Dadri (830 MW) through e-bidding conducted by Ministry of Power. RGPPL (1967 MW), which is operated by NTPC, also participated in the e-bidding for gas successfully. Allocation of this additional gas will help improve generation from gas based stations.

Your Company's total income has increased from ₹ 74,664.61 crore to ₹ 75,362.37 crore in FY15 despite stringent provisions of CERC tariff regulations for the period 2014-19. Your Company's earned a net profit of ₹ 10,290 crore.

Your Company paid interim dividend of ₹ 0.75 per equity share and a final dividend of ₹ 1.75 has been recommended for your approval. In March 2015, your Company allotted to shareholders one bonus debenture of ₹12.50, for every one share of ₹10.00, out of free reserves. Thus, your Company became the first public sector company to issue

bonus debentures, which are deemed as dividend, of ₹ 10,307 crore - the largest by any Indian company.

Your Company mobilized debt for its huge expansion programme to the tune of ₹ 30,000 crore from domestic and international markets at very competitive rates.

Your Company has been able to achieve 100% realization of its current bills from the customers which is a remarkable feat considering the huge billing amount of nearly ₹ 78,000 crore.

While focusing on capacity addition, efficient operations, fuel supply, financing and commercial issues in a well coordinated and integrated manner, your Company has also given high priority to its social responsibilities.

Under the 'Swachh Vidyalaya Abhiyaan', a component of 'Swachh Bharat Mission', launched by Hon'ble Prime Minister, your Company is building toilets in schools in far flung areas. Your Company is going to play a substantial role in 'Skill India Mission' of the Government of India. It has signed MoU with Ministry of Skill Development and Entrepreneurship and has allocated ₹ 6.50 crore in FY16 and FY17 for skill development programmes. Your Company has set up an IIIT in Raipur where the academic session 2015-16 would be commencing from August 2015. For grooming professional managers, with special focus on power and energy sectors, your Company has set up the NTPC School of Business. This school of business is commencing the first course from August 2015 and will award Post Graduate Diploma in Management.

Your Company has launched three Mobile Science Labs on Wheels to provide hands-on learning to underprivileged students living in remote areas. Nearly 1.5 lakh students are estimated to be benefited from these labs.

Your Company has been able to accomplish so much on so many fronts because it has a very committed and competent team which has built the Brand NTPC.

Your Company is ahead of all other Public Sector Enterprises (PSEs) in the study the 'Best Company to Work for 2015' conducted by the Economic Times in collaboration with a reputed agency. It has also been adjudged the best in Energy, and Oil & Gas industry.

Confident about the ability of the superb team at NTPC to deliver results, I assure you that the strategies of your Company will continue to translate into sustainable returns and gains to all stakeholders.

With best wishes,
Yours sincerely,



(DR. ARUP ROY CHOUDHURY)
CHAIRMAN & MANAGING DIRECTOR
(DIN: 00659908)

NTPC Limited

CIN: L40101DL1975GOI007966

Regd. Office: NTPC Bhawan, SCOPE Complex, 7 Institutional Area, Lodi Road, New Delhi-110 003

Tel. no.: 011-24360100 Fax: 011-24361018

Email: ntpccc@ntpc.co.in Website: www.ntpc.co.in

NOTICE

NOTICE is hereby given that **Thirty Ninth Annual General Meeting** of the Members of **NTPC Limited** will be held on **Friday, 18th September, 2015 at 10.30 a.m.** at Manekshaw Centre, Parade Road, New Delhi – 110 010 to transact the following businesses:

ORDINARY BUSINESSES:

1. To receive, consider and adopt:
 - (a) the Audited Standalone Financial Statement of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon; and
 - (b) the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2015 and the report of the Auditors thereon.
2. To confirm payment of interim dividend and declare final dividend for the financial year 2014-15.
3. To appoint a Director in place of Shri Anil Kumar Jha (DIN: 03590871), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Umesh Prasad Pani (DIN: 03199828), who retires by rotation and being eligible, offers himself for re-appointment.
5. To fix the remuneration of the Statutory Auditors.

SPECIAL BUSINESSES:

6. To appoint Shri Anil Kumar Singh (DIN: 07004069), as Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“Resolved that pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, Rules made thereunder, Shri Anil Kumar Singh (DIN: 07004069), who was appointed as a Government Nominee Director, by the President of India vide letter no. 8/7/2013-Th.I dated 15th October, 2014 and subsequently appointed as an Additional Director by the Board of Directors with effect from 31st October, 2014 to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Shri Anil Kumar Singh (DIN: 07004069) as a candidate for the office of a director of the Company, be and is hereby appointed as Director of the Company, not liable to retire by rotation”.
7. To appoint Shri Kaushal Kishore Sharma (DIN: 03014947), as Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“Resolved that pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, Rules made thereunder, Shri Kaushal Kishore Sharma (DIN: 03014947), who was appointed as Director (Operations), by the President of India vide letter no. 8/10/2013-Th-I dated 7th October, 2014 and subsequently appointed as an Additional Director by the Board of Directors with effect from 1st November, 2014 to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Shri Kaushal Kishore Sharma (DIN: 03014947), as a candidate for the office of a director of the Company, be and is hereby appointed as Director (Operations) of the Company, liable to retire by rotation, on terms & conditions as may be determined by the Govt. of India”.
8. To raise funds upto ₹ 5,000 Crore through issue of Bonds/Debentures on Private Placement basis and in this regard to consider and if thought fit, to pass, with or without modification(s), following resolution as a **Special Resolution**:

“Resolved that pursuant to Section 42 and other applicable provisions of the Companies Act, 2013 read with Rule 14 (2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and any other applicable statutory provisions (including any statutory modification or re-enactments thereof) the Board of Directors of the Company (the “Board”) be and are hereby authorized to make offer(s) or invitation(s) to subscribe to the secured/ unsecured, redeemable, taxable/tax-free, cumulative/non-cumulative, non-convertible debentures (“Bonds”) upto ₹. 5,000 Crore in one or more tranches/ series not exceeding ten ,through private

placement, in domestic market, during the period commencing from the date of passing of Special Resolution till completion of one year thereof or the date of next Annual General Meeting in the financial year 2016-17 whichever is earlier in conformity with rules, regulations, notifications and enactments as may be applicable from time to time, subject to the total borrowings of the Company approved by the shareholders under Section 180(1) (c) of Companies Act, 2013.

Resolved further that the Board be and is hereby authorized to do or delegate from time to time, all such acts, deeds and things as may be deemed necessary to give effect to private placement of such Bonds including but not limited to determining the face value, issue price, issue size, tenor, timing, amount, security, coupon/interest rate, yield, listing, allotment and other terms and conditions of issue of Bonds as it may, in its absolute discretion, consider necessary”.

9. To ratify the remuneration of the Cost Auditors for the financial year 2015-16 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“Resolved that pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2015-16, be paid the remuneration of ₹. 26,60,000/- (Rupee Twenty six lakh sixty thousand only) as set out in the statement annexed to the Notice convening this Meeting.

Resolved further that the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

10. To approve transactions to be entered into with Associate Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution** -

“Resolved that pursuant to the provisions of Section 188 and applicable provisions of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and other Statutory Provisions, rules, regulations etc. as may be applicable, the consent of the Company be and is hereby accorded for entering into the related party transactions by the Company with Utility Powertech Limited (UPL), an Associate Company of NTPC Limited, subject to cumulative ceiling of 2% of the annual turnover of the Company as per the Audited Annual financial Statement of the preceding financial year or ₹. 1000 Crore whichever is more, in any financial year.

Resolved further that the Board of Directors of the Company and/or a Committee thereof or any other official as may be decided by the Board, be and is hereby, authorized to approve the individual contract(s)/ arrangement(s)/ transaction(s) with the UPL, within the above ceiling and to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolution”.

By order of the Board of Directors



(A.K. Rastogi)

Company Secretary

Place: New Delhi

Date: 6th August 2015

Notes:-

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Businesses, as set out above is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/ herself and the proxy need not be a member of the company. In order to be effective, the proxy form duly completed should be deposited at the registered office of the company not less than forty eight hours before the scheduled time of the annual general meeting. Blank proxy form is enclosed.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxies submitted on behalf of limited companies, societies, etc. must be supported by an appropriate resolution / authority, as applicable.

3. Every member entitled to vote at a meeting of the company or on any resolution to be moved thereat, shall be entitled during the period beginning twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing of the intention to inspect is given to the company.
4. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. In compliance with provisions of Clause 35B of the Listing Agreement as well as Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (as amended), the Company is offering remote E- voting facility to all the shareholders of the Company in respect of items to be transacted at this Annual General Meeting. User ID and Password are given at the bottom of Proxy form. **All members are requested to read instructions for e-voting, given overleaf of the Proxy Form, carefully before casting their e-vote.** Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently. Further, the members who have cast their vote electronically shall not be allowed to vote again at the Meeting. Members who have not voted electronically can cast their vote at the meeting through ballot papers.
6. Brief resume of the Directors seeking appointment or re-appointment, as required under Clause 49 of the Listing Agreement, is annexed hereto and forms part of the Notice.
7. Members are requested to:-
 - i. note that copies of Annual Report will not be distributed at the Annual General Meeting.
 - ii. bring their copies of Annual Report, Notice and Attendance Slip duly completed and signed at the meeting
 - iii. note that the attendance slip/ proxy form should be signed as per the specimen signature registered with the Karvy Computershare Private Limited, Registrar & Transfer Agent (RTA)/ Depository Participant (DP).
 - iv. deliver duly completed and signed Attendance Slip at the entrance of the meeting venue as entry to the Hall will be strictly on the basis of the entry slip available at the counters at the venue to be exchanged with the attendance slip.
 - v. note that in case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
 - vi. quote their Folio / Client ID & DP ID Nos. in all correspondences.
 - vii. note that due to strict security reasons mobile phones, briefcases, eatables and other belongings will not be allowed inside the Auditorium.
 - viii. note that no gifts/coupons will be distributed at the Annual General Meeting.
8. The Board of Directors, in its meeting held on January 30, 2015, had declared an interim dividend @ 7.5% (₹ 0.75 per share) on the paid-up equity share capital of the company which was paid on February 13, 2015. Members who have not encashed or not received their dividend warrants may approach RTA of the Company for revalidating the warrants or for obtaining duplicate warrants.
9. The Register of Members and Share Transfer Books of the Company will remain closed from September 7, 2015 to September 18, 2015 (both days inclusive). The Board of Directors, in its Meeting held on May 29, 2015, has recommended a final dividend @ 17.5% (₹ 1.75 per share) on the paid-up equity share capital of the company. The final dividend on equity shares, as recommended by the Board of Directors, subject to the provisions of the Companies Act, 2013, if declared at the Annual General Meeting, will be paid on September 30, 2015 to the Members whose names appear on the Company's Register of Members on September 18, 2015 in respect of physical shares. In respect of dematerialized shares, the dividend will be payable to the "beneficial owners" of the shares whose names appear in the Statement of Beneficial Ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited as at the close of business hours on September 4, 2015.
10. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed final dividend for the financial year 2006-07 and interim dividend for the financial year 2007-08, on due dates, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 27, 2014 (date of last Annual General Meeting) on the website of the Company (www.ntpc.co.in) and also on the website of the Ministry of Corporate Affairs.



Unpaid and unclaimed final dividend for the financial year 2007-08 and interim dividend for the financial year 2008-09 will be due for transfer to the Investor Education and Protection Fund of the Central Government on or before 16th November, 2015 & 26th March 2016 respectively pursuant to the provisions of Section 205A of the Companies Act, 1956 (or Section 124 of the Companies Act, 2013, once notified).

11. Members, who have not registered their National Electronic Clearing Service (NECS) Mandate, are requested to send their NECS Mandate Form to the Registrar / Investor Service Department of the Company or to their DP, as the case may be. For any change in bank particulars due to banker having migrated their operations to core banking solutions, Members are requested to register a fresh NECS Mandate with the revised bank particulars.
12. Members holding shares in multiple folios in physical mode are requested to apply for consolidation to the Company or its RTA alongwith relevant Share Certificates.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit PAN to their DP with whom they are maintaining their demat accounts. It has also made mandatory for the transferee(s) to furnish a copy of PAN card to the Company/RTAs for registration of transfers and for securities market transactions and off-market/ private transactions involving transfer of shares of listed companies in physical form. Accordingly, members holding shares in physical mode should attach a copy of their PAN Card for every transfer request sent to the Company / RTA.
14. Members, holding shares in physical form, may avail of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the Form-SH 13 as prescribed in the Companies (Share Capital & Debentures) Rule, 2014, any person to whom their shares in the Company shall vest on occurrence of event stated in the Form. Those holding shares in physical form may obtain from and send Form-SH 13 in duplicate to RTA of the Company. In case of shares held in dematerialized form, the nomination has to be lodged with the respective DP.
15. Members are requested to notify immediately any change of address:
 - i. to their DP in respect of shares held in dematerialized form, and
 - ii. to the Company at its Registered Office or to its RTA in respect of their physical shares, if any, quoting their folio number.
16. Members who have not registered their e-mail addresses so far or who want to update their e-mail address, are requested to approach their respective DP (for electronic holding) or with RTA/ Company (for physical holding), for receiving all communication including Annual Report, Notices, Circulars, NECS intimation etc. from the Company electronically.
17. Members desirous of getting any information on any items of business to be transacted at this Meeting are requested to address their queries to Smt. Sangeeta Bhatia, General Manager (Finance) and Chief Investor Relation Officer of the Company at the registered office of the company at least ten days prior to the date of the Annual General meeting, so that the information required can be made readily available at the meeting.
18. Annual listing fee for the year 2015-16 has been paid to all Stock Exchanges wherein shares of the Company are listed. The Annual Custodian Fee for the year 2015-16 is yet to be demanded by the Depositories i.e. Central Depository Services (India) Limited and National Securities Depository Limited.
19. Pursuant to Section 139 of the Companies Act, 2013, the Auditors of a Government Company are to be appointed or re-appointed by the Comptroller and Auditor General of India (C&AG) and in pursuance of Section 142 of the Companies Act, 2013, their remuneration is to be fixed by the Company in the Annual General Meeting or in such manner as the Company in general meeting may determine. The Members of the Company, in 38th Annual General Meeting held on August 27, 2014, authorised the Board of Directors to fix the remuneration of Statutory Auditors for the financial year 2014-15. Accordingly, the Board of Directors has fixed audit fee of ₹ 1,11,74,625/- (Rupees one crore eleven lakh seventy four thousand six hundred and twenty five only) for the Statutory Auditors for the financial year 2014-15 in addition to applicable service tax, education cess and reimbursement of actual traveling and out-of-pocket expenses for visits to accounting units. The Statutory Auditors of the Company for the year 2015-16 have been appointed by the C&AG. Accordingly, the Members may authorise the Board to fix an appropriate remuneration of Statutory Auditors as may be deemed fit by the Board for the year 2015-16.
20. None of the Directors of the Company is in any way related with each other.
21. All documents referred to in the notice are open for inspection at the registered office of the Company on all working days (barring Saturday and Sunday) between 11.00 a.m. to 1.00 p.m. prior to the Annual General Meeting.
22. Route map to the venue of the Annual General Meeting is enclosed.

EXPLANATORY STATEMENT**Item No. 6**

Shri Anil Kumar Singh (DIN: 07004069) was appointed as Government Nominee Director of the Company by the President of India vide letter no. 8/7/2013-Th.I dated 15th October, 2014 and was accordingly appointed as an Additional Director w.e.f 31st October, 2014 to hold office upto the date of this Annual General Meeting. The Company has received a notice in writing from a member pursuant to the provisions of Section 160 of the Companies Act, 2013 signifying his intention to propose Shri Anil Kumar Singh for the office of Director (Government Nominee). Shri Anil Kumar Singh, if appointed, shall not be liable to retire by rotation.

Shri Anil Kumar Singh is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

His brief resume, inter-alia, giving nature of expertise in specific functional area, shareholding in the company, other Directorships, Membership/ Chairmanship of Committees and other particulars are provided elsewhere which forms part of this notice.

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

The Board recommends the resolution for your approval.

Item No.7

Shri Kaushal Kishore Sharma (DIN: 03014947), was appointed as Director (Operations) of the Company by the President of India vide letter No. 8/10/2013-Th-I dated 7th October, 2014 issued by Ministry of Power for a period of five years or till the date of superannuation, whichever is earlier, and was accordingly appointed as an Additional Director w.e.f 1st November, 2014 to hold office upto this Annual General Meeting. The Company has received a notice in writing from a member pursuant to the provisions of Section 160 of the Companies Act, 2013, signifying his intention to propose Shri Kaushal Kishore Sharma for the office of Director (Operations). Shri Kaushal Kishore Sharma, if appointed, will be liable to retire by rotation. The terms and conditions regulating the appointment of Shri Kaushal Kishore Sharma, Director (Operations) is to be determined by the Government of India.

Shri Kaushal Kishore Sharma is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

His brief resume, inter-alia, giving nature of expertise in specific functional area, shareholding in the company, other Directorships, Membership/ Chairmanship of Committees and other particulars are provided elsewhere which forms part of this notice.

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

The Board recommends the resolution for your approval.

Item No. 8

The Company is the largest power producer in India with installed capacity of 38,202 MW (standalone) as on 31st March 2015. The projects of the Company are to be financed by debt & equity in the ratio of 70:30. Major portion of capital expenditure requirement of the Company has to be funded by debt. The Company borrows in the form of non-convertible bonds/ debentures, rupee term loans from banks and financial institutions, foreign currency borrowings, foreign currency bonds etc. The non-convertible bonds/ debentures are raised by the Company under public issue route or through private placement basis.

As per Section 42 of Companies Act, 2013 read with rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a Company shall not make a Private Placement of its securities unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the Shareholders of the Company by a Special Resolution for each of the offers or invitations. However, in case of offer or invitation for "non convertible debentures", it shall be sufficient, if the Company passes a previous Special Resolution only once in a year for all the offers or invitations for such debentures during the year.

In view of the above, approval of the Shareholders of the Company is being sought to authorize the Board of Directors to make offer(s) or invitation(s) to subscribe to the secured/ unsecured, redeemable, taxable/tax-free, cumulative/non-cumulative, non-convertible debentures ("Bonds") upto ₹ 5,000 Crore in one or more tranches/ series not exceeding ten, through private placement, in domestic market during the period commencing from the

date of passing of Special Resolution till completion of one year thereof or the date of next Annual General Meeting in the financial year 2016-17 whichever is earlier, subject to ceiling approved by the shareholders under Section 180(1)(c) of Companies Act 2013.

The Board of Directors of the Company in its Meeting held on 30th July, 2015 has approved the proposal and recommends the passing of the proposed Special Resolution.

The Directors or key managerial personnel or their relatives do not have concern or interest, financial or otherwise, in passing of the said Special Resolution, except to the extent of their shareholding in the Company.

Item No. 9

Based on recommendation of Audit Committee, the Board of Directors in its meeting held on 30th July, 2015 has approved the names of the six cost accountant firms for appointment. The work was assigned to Cost Auditors and total fee of ₹ 26,60,000/- is payable for cost audit for the Financial year 2015-16. The fee structure for cost audit is broadly based on station capacity and number of stations. The reimbursement of out of pocket expenses applicable statutory taxes/ levies shall be in addition to fees. The names of cost auditors are as under:

Sl. No.	Name of Cost Auditors
1	M/s Bandyopadhyaya Bhaumik & Co., Kolkata
2	M/s S. Dhal & Co., Bhubaneswar
3	M/s Musib & Co., Mumbai
4	M/s Narasimha Murthy & Co., Hyderabad
5	M/s Sanjay Gupta & Associates, New Delhi
6	M/s R.J.Goel & Co., Delhi

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

Accordingly, members are requested to ratify the remuneration payable to the Cost Auditors for the financial year 2015-16.

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

The Board recommends the resolution for your approval.

Item No. 10

As per provisions of Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, except with the approval of the Shareholders by way of special resolution, Company shall not enter into any transaction with any Related Party for availing or rendering of any service exceeding 10% of the turnover of the company or ₹ 50 crore, whichever is lower.

In context of your Company, term 'Related party', inter-alia includes the subsidiaries and associate companies of NTPC. As per the MCA notification number GSR 463 (E) dated 5th June 2015, transaction between two Government Companies are exempted from the provisions of the Section 188 of the Act. The same exemptions are also available under the Listing Agreement. As subsidiaries of NTPC are also Government Company within the meaning of Section 2(45) of the Act, no approval is required in respect to Related Party Transaction(s) with Subsidiaries.

Your Company is assigning jobs on contract basis, for sundry works in the plants/ stations/ offices to Utility Powertech Company Limited (UPL), a 50:50 Joint Venture between NTPC and Reliance Infrastructure Limited. UPL inter-alia undertakes jobs such as overhauling, repair, refurbishment of various mechanical and electrical equipments of Power Stations. In this regard Company is entering into Power Station Maintenance Agreement with UPL from time to time. The rates are fixed on cost plus basis after mutual discussion and after taking in to account the prevailing market conditions.

As per the requirement of Section 188 of the Companies Act, 2013, the company proposes to seek approval of the Shareholders by way of special resolution for entering into transaction/ agreement with UPL subject to ceiling of 2% of the annual turnover of the Company as per the Audited Annual Financial Statement of the preceding financial year or ₹ 1000 Crore whichever is more, in any financial year.

The particulars of the transaction pursuant to the provisions of Section 188 and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

Name of the Related Party	Nature of relationship	Nature of Transaction(s)	Estimated Amount of the Contract in any financial year	Director or Key Managerial Person who is related
Utility Powertech Limited (UPL)	Associate Company	Hiring of works/services of sundry nature	₹1000 Crore approx.	None of Directors of NTPC or Key Managerial Persons are interested in UPL.

It may also be noted that in exercise of powers conferred under the Article of Association/ Joint Venture Agreement of UPL, your Company has been nominating Directors on the Board of UPL and the Directors nominated by the Company holds their position in their official capacity as employee of NTPC. Directors nominated by the Company cease to hold the Directorship after cessation from the services of the Company. Further, the person nominated by the NTPC is not receiving any remuneration, commission or sitting fee from UPL and thus, the Directors nominated by NTPC on the Board of UPL are only having official interest in UPL.

In view of above, approval of shareholders are sought for entering in to Power Station Maintenance Agreement with UPL subject to ceiling of 2% of the annual turnover of the Company as per the Audited Annual Financial Statement of the preceding financial year or ₹. 1000 Crore, whichever is more, in any financial year.

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

The Board of Directors of the Company recommends the passing of the proposed Special Resolution.

By order of the Board of Directors



(A.K. Rastogi)
Company Secretary

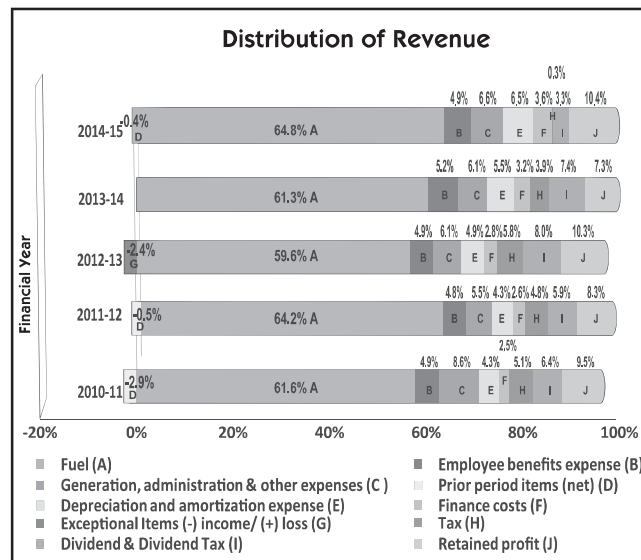
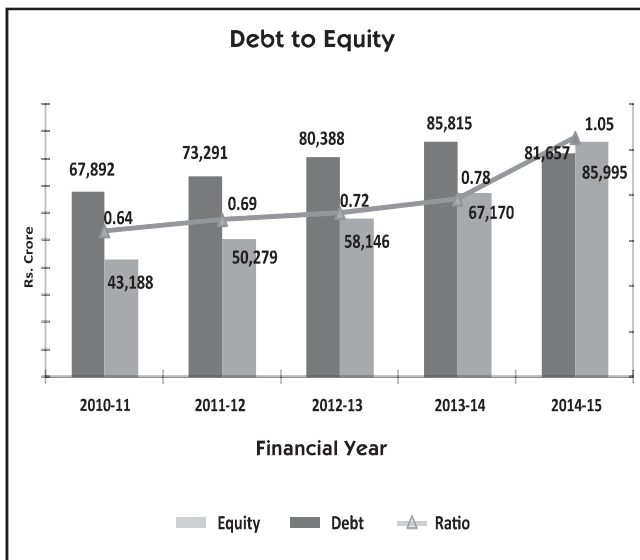
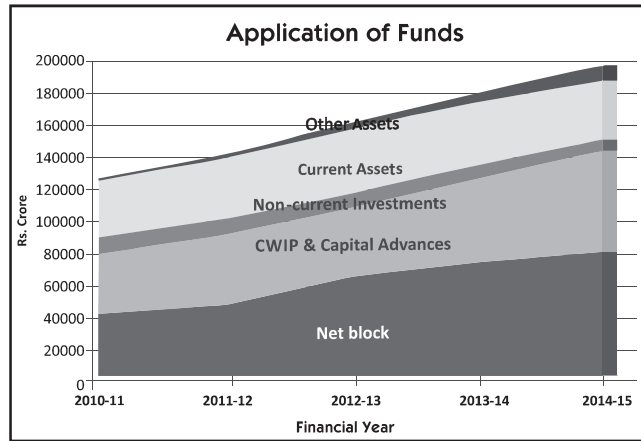
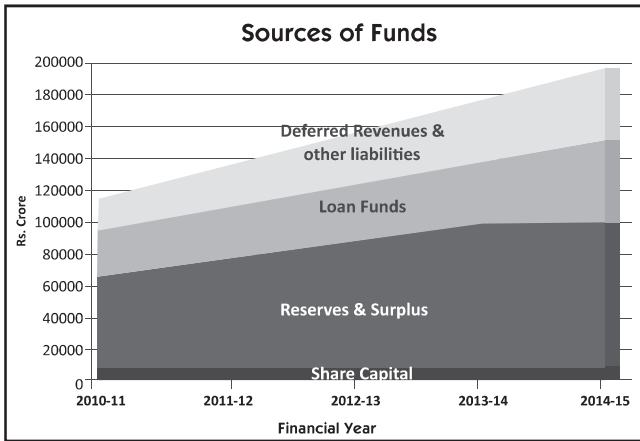
Place: New Delhi

Date: 6th August, 2015

BRIEF RESUME OF THE DIRECTORS SEEKING ELECTION/ RE-ELECTION :

Name	Shri Anil Kumar Jha	Shri Umesh Prasad Pani	Shri Anil Kumar Singh	Shri Kaushal Kishore Sharma
Date of Birth & Age	24/7/1957 58 Years	2/10/1956 59 Years	23/04/1969 46 Years	5/10/1957 58 Years
Date of Appointment	1/7/2012	1/3/2013	31/10/2014	1/11/2014
Qualifications	Graduate in Mechanical Engineering from BIT Sindri, Ranchi University and LLB from Delhi University.	Graduate in Electrical Engineering from BITS, PILANI (1978)	B.E. (Civil) and M.E. (Polymers Technology) from Delhi College of Engineering. MBA in Business Administration Policy and Administration from University of Ljubljana.	Graduate in Mechanical Engineering and MBA in Finance.
Expertise in specific functional area	He joined NTPC in 1977 as Executive Trainee (2nd Batch). He was directly associated with the NTPC's flagship Project i.e. Singrauli (5x200 MW) as part of erection team. He has rich and varied experience of 38 years in NTPC in all the areas of Power Project that is design & Engineering, Project Planning & Monitoring and Project Construction & Management.	He joined NTPC in November, 1978 as (3rd batch) Executive Trainee. He has worked in Erection, Rehabilitation and Resettlement, Technical Services Deptt. of Korba STPS (3x200+3x500MW) and Talchar STPS, (6x500MW). He worked as Business Unit Head (BUH) of NSPCL (joint Venture of NTPC & SAIL) at Bhilai and Durgapur. He was Head of NTPC Kahalgaon (4x210 MW+3x500MW) Project.	He is an Indian Administrative Service Officer of AGMUT Cadre (1995 batch). During his illustrious 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 & Promotion, Khadi & Village Industry, Health & Family Welfare, Home Affairs, Youth Affairs & Sports in various Union Territories in India prior to joining as Joint Secretary, Ministry of Power.	He has wide experience in the areas of Mega-Budget Thermal, Hydro Power and Coal Mining Projects. He had been Business Unit Head 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 NTPC. He had also been Regional Executive Director (Hydro Region), Executive Director (Coal mining/ Coal Washeries), Regional Executive Director (East Region-II), Executive Director (Project Planning & Monitoring), and Chief Executive Officer of NTPC-SAIL Power Company Private Limited
Directorship held in other companies	<ol style="list-style-type: none"> Transformers and Electricals Kerala Limited- Part Time Director Anushakti Vidhyut Nigam Limited- Part Time Director NTPC Alstom Power Services Pvt. Limited - Part Time Director Pan Asian Renewables Pvt. Limited (Under liquidation) - Part Time Chairman NTPC Vidyut Vyapar Nigam Limited - Part Time Director Bangladesh-India Friendship Power Co. (Pvt) Limited - Part Time Director 	<ol style="list-style-type: none"> Kanti Bijlee Utpadan Nigam Limited - Part Time Director Transformers and Electricals Kerala Limited - Part Time Director Trincomalee Power Co. Limited - Part Time Director NTPC Electric Supply Co. Limited- Part Time Director KINESCO Power & Utilities Pvt. Limited - Part Time Director 	<ol style="list-style-type: none"> Damodar Valley Corporation - Member Bhartiya Nabhikiya Vidyut Nigam Limited - Director 	<ol style="list-style-type: none"> NTPC SAIL Power Company Pvt. Ltd. - Part Time Chairman NTPC Vidyut Vayapar Nigam Limited - Part Time Director The West Bengal Power Development Corporation Limited - Part Time Director
Memberships/ Chairmanship of Committees across all Public Companies*	Audit Committee: <ol style="list-style-type: none"> Bangladesh-India Friendship Power Co. (Pvt) Limited - Member NTPC Vidyut Vyapar Nigam Limited - Member 	Audit Committee: <ol style="list-style-type: none"> Kanti Bijlee Utpadan Nigam Limited - Member Trincomalee Power Co. Limited - Member Stakeholders' Relationship Committee: <ol style="list-style-type: none"> NTPC Limited -Member 	NIL	NIL
No. of Shares held in NTPC Limited	1440	2362	NIL	369
Attendance	No. of Meeting held during the FY 14-15 = 13 No. of Meetings attended =13	No. of Meeting held during the FY 14-15 =13 No. of Meetings attended =12	No. of Meeting during the tenure =7 No. of Meetings attended =3	No. of Meeting during the tenure =6 No. of Meetings attended =6

*In line with Clause 49 of Listing Agreement, only the Audit Committee and Stakeholders' Relationship Committee have been taken into consideration in reckoning the number of committee memberships of Directors as Chairman and as Member.



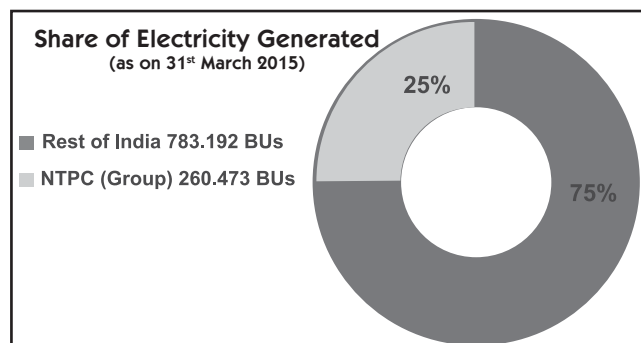
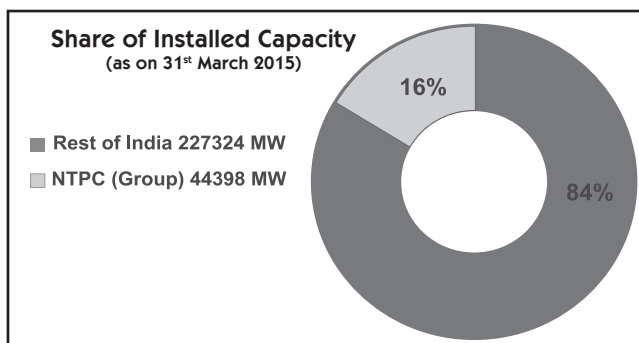
STATION-WISE GENERATION 2014-15

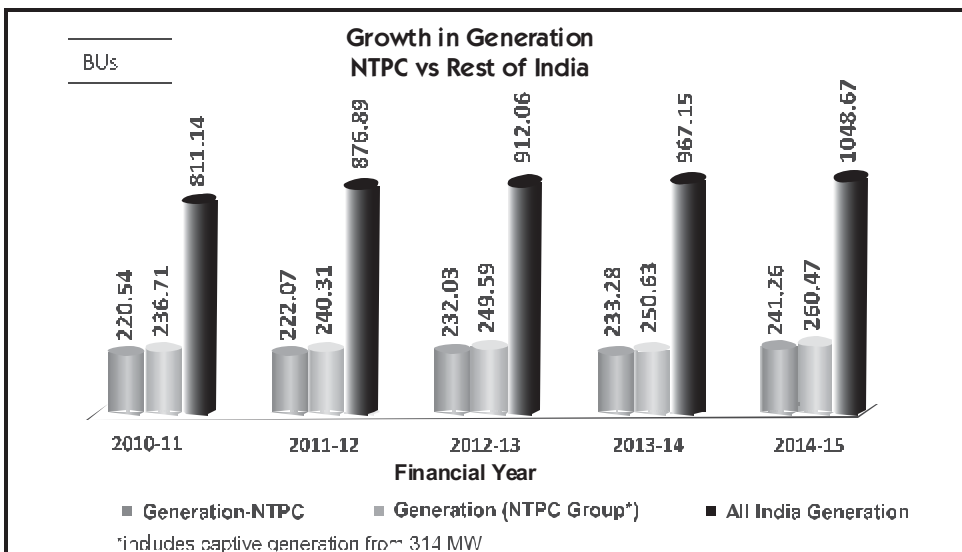
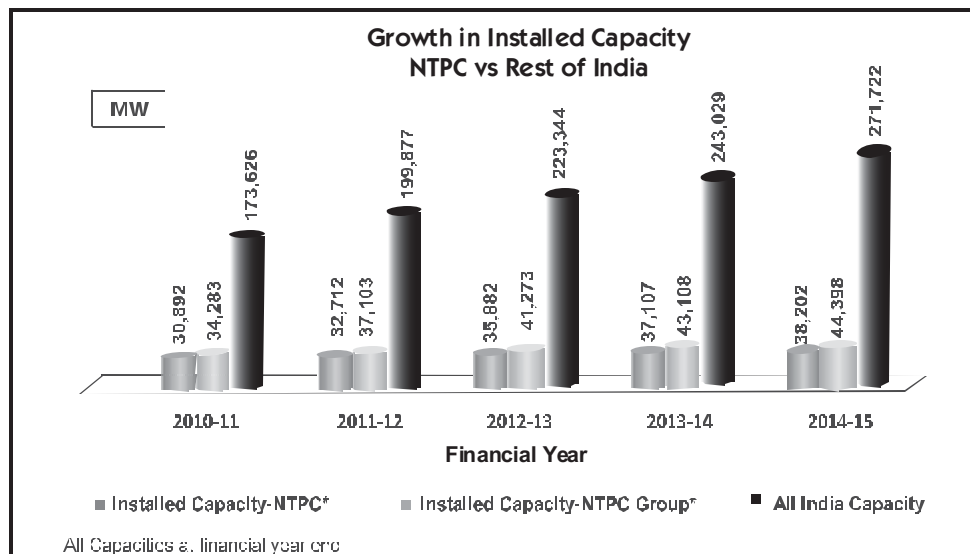
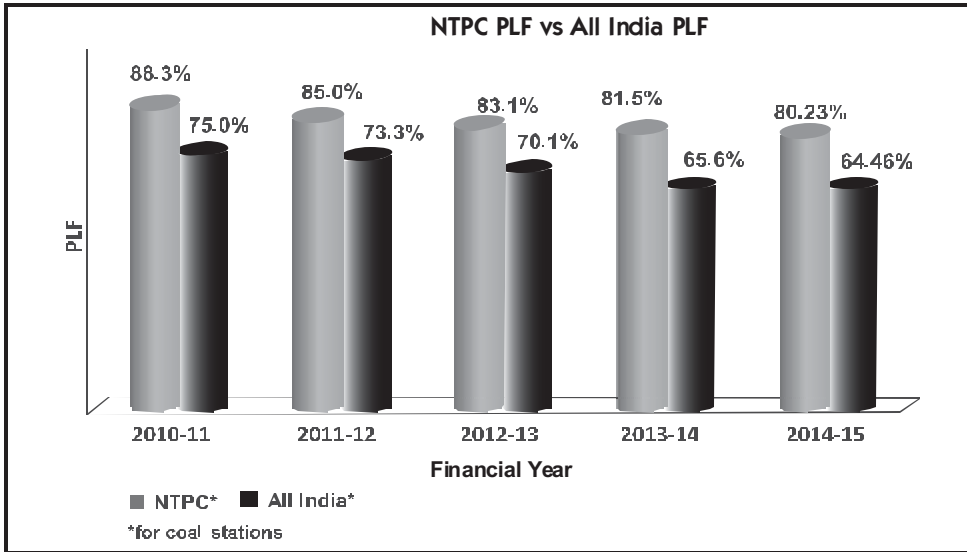
STATIONS	Fuel Type	*Capacity (MW)	Gen. (MU) Gross
Northern Region		6490	46570
Singrauli	Coal	2000	14516
Rihand	Coal	3000	21271
Unchahar	Coal	1050	7622
Tanda	Coal	440	3161
National Capital Region		4869	22985
Badarpur	Coal	705	3281
Dadri	Coal	1820	12285
Anta	Gas	419	1654
Auraiya	Gas	663	1664
Dadri	Gas	830	2530
Faridabad	Gas	432	1571
Western Region		12154	77068
Mouda	Coal	1000	2311
Korba	Coal	2600	20061
Vindhyachal	Coal	4260	29574
Sipat	Coal	2980	21773
Kawas	Gas	656	1741
Jhanor Gandhar	Gas	657	1609
Eastern Region		9220	58228
Farakka	Coal	2100	13379
Kahalgaon	Coal	2340	15619
Barh	Coal	1320	1747
Talcher - Kaniha	Coal	3000	23699
Talcher - Thermal	Coal	460	3784
Southern Region		4960	36288
Ramagundam	Coal	2600	20443
Simhadri	Coal	2000	15026
Rajiv Gandhi CCP	Liquid Fuel	360	819
Total**		37692	241139

* as on 31st March 2015.

** Excludes 15.05 MU Solar Power Generation and 110 MW Capacity.

** Excludes 0.25 MU Hydro Power Generation and 400 MW Capacity.





SELECTED FINANCIAL INFORMATION*

	₹ Crore				
	2014-15	2013-14	2012-13	2011-12	2010-11#
A Revenue					
Revenue from operations (net)	73,246.05	72,018.93	65,673.93	62,052.23	55,062.65
Other income	2,116.32	2,688.89	3,101.58	2,778.42	2,344.65
Total revenue	75,362.37	74,707.82	68,775.51	64,830.65	57,407.30
B Expenses					
Fuel	48,845.19	45,829.71	41,018.25	41,635.46	35,373.78
Employee benefits expense	3,669.78	3,867.99	3,360.12	3,090.48	2,789.71
Generation, administration & other expenses	4,979.31	4,543.85	4,211.22	3,588.79	4,926.28
Prior period items (net)	(333.83)	12.84	(29.72)	(313.58)	(1,638.72)
Profit before depreciation, finance cost and tax	18,201.92	20,453.43	20,215.64	16,829.50	15,956.25
Depreciation and amortization expense	4,911.65	4,142.19	3,396.76	2,791.70	2,485.69
Profit before finance cost and tax	13,290.27	16,311.24	16,818.88	14,037.80	13,470.56
Finance costs	2,743.62	2,406.59	1,924.36	1,711.64	1,420.96
Profit before exceptional items and tax	10,546.65	13,904.65	14,894.52	12,326.16	12,049.60
Exceptional Items (+) income/ (-) loss	-	-	1,684.11	-	-
Profit before tax	10,546.65	13,904.65	16,578.63	12,326.16	12,049.60
Tax (Net)	255.79	2,929.91	3,959.24	3,102.43	2,947.01
Profit after tax	10,290.86	10,974.74	12,619.39	9,223.73	9,102.59
Dividend	2,061.38	4,741.15	4,741.16	3,298.19	3,133.27
Dividend tax	417.40	804.74	781.87	527.92	514.77
Retained profit	7,812.08	5,428.85	7,096.36	5,397.62	5,454.55
C Assets					
Fixed assets (net block)					
Tangible assets	78,586.91	71,865.86	62,687.42	45,046.47	39,029.07
Intangible assets	262.16	244.97	248.68	211.89	206.89
Capital work-in-progress	56,463.11	44,886.74	37,109.42	41,827.82	35,495.30
Intangible assets under development	30.38	1.93	-	0.04	0.03
Total Fixed Assets (Net block)	135,342.56	116,999.50	100,045.52	87,086.22	74,731.29
Investments (Non-current)	7,154.07	8,120.90	9,137.64	9,583.92	10,532.84
Long-term loans and advances	15,527.89	12,776.22	9,633.45	3,883.26	3,901.96
Other non-current assets	1,696.77	1,786.77	1,132.77	1,371.88	459.15
Current assets	37,363.43	39,870.79	41,167.08	38,912.52	36,113.64
Total Assets	197,084.72	179,554.18	161,116.46	140,837.80	125,738.88
D Liabilities					
Borrowings					
Long-term borrowings	78,532.33	62,405.75	53,253.66	45,908.27	39,735.68
Current maturities of long-term borrowings	7,463.01	4,764.47	4,892.64	4,371.10	3,452.56
Total borrowings	85,995.34	67,170.22	58,146.30	50,279.37	43,188.24
Other Long-term liabilities and provisions	4,981.37	4,443.43	3,621.21	2,969.66	3,215.43
Current liabilities	30,519.52	25,279.80	22,610.03	17,238.64	14,041.04
Less: Current maturities of long-term borrowings	7,463.01	4,764.47	4,892.64	4,371.10	3,452.56
Net Current liabilities	23,056.51	20,515.33	17,717.39	12,867.54	10,588.48
Deferred Revenue	1,394.15	1,609.88	1,244.05	1,430.06	854.48
E Net-worth					
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
Net-worth	81,657.35	85,815.32	80,387.51	73,291.17	67,892.25
Total Liabilities	197,084.72	179,554.18	161,116.46	140,837.80	125,738.88
F Capital employed	94,740.61	92,891.91	84,419.44	75,136.67	71,374.57
G Value added	25,078.02	25,965.88	22,998.93	19,737.80	19,139.99
H Number of shares	8,245,464,400	8,245,464,400	8,245,464,400	8,245,464,400	8,245,464,400
I Number of employees	22,496	23,411	23,865	24,011	23,797
J Ratios					
Return on capital employed (%)	13.68	14.37	15.95	14.23	14.30
Return on net worth (%)	16.78	17.72	19.73	16.88	16.92
Book value per Share (₹)	99.03	104.08	97.49	88.89	82.34
Earnings per share (₹)	12.48	13.31	15.30	11.19	11.04
Current ratio	1.22	1.58	1.82	2.26	2.57
Debt to equity	1.05	0.78	0.72	0.69	0.64
Value added per employee (₹ crore)	1.11	1.11	0.96	0.82	0.80

Figures regrouped as per Schedule III of Companies Act, 2013

* Standalone

DIRECTORS' PROFILE



Dr. Arup Roy Choudhury
Chairman & Managing
Director

Dr. Arup Roy Choudhury (about 59 years), (DIN: 00659908), is a graduate from Birla Institute of Technology-Mesra and a postgraduate and PhD from IIT-Delhi. Dr. Arup Roy Choudhury believes in the dictum, "Sankalpa Shuddha Hi Siddha" i.e. if your intentions are pure, you are bound to succeed. He has an illustrious career of more than 37 years during which he has been holding the position of CMD of major PSU's for over 14 years. A firm believer in achieving team-excellence, Dr. Choudhury specializes in bringing about transformational changes in organizations. Dr. Choudhury has proven ability to connect with people, formulate & communicate his vision and lead the organizations to growth and stability.

With his indepth understanding of business essentials supplemented by his effective boundary management, Dr. Choudhury had led NBCC to profitability and later NTPC to become "Mahartana of the Year" in 2015. His exemplary career is full of achievements and accolades. Some highlights of his career are:

- Became the youngest CMD of a Central Public Sector Enterprise in India (NBCC) at the age of 44 years.
- Forbes 'Best CEO Award – Public Sector' at Forbes India Leadership Award in 2014.
- Received the 'Power Persona of the Year Award' for his outstanding contribution to the Power Sector from Central Board of Irrigation & Power (CBIP) in 2015.
- Awarded as Management Persona of the Decade – Energy & Power at the 8th Enertia Awards 2014.
- 'Life Time Achievement Award' instituted by 'Dainik Bhaskar' (A Leading National Daily News Paper), The Award was given by Shri Arun Jaitley, Hon'ble Union Minister of Finance, Corporate Affairs and Information & Broadcasting in June 2015.
- Awarded for the best organizational turnaround from Hon. President of India.
- Received the Top Ten PSU and Turnaround Award from Hon. Prime Minister of India.
- Received the Top Ten Central Public Sector Undertaking Award from Hon. Prime Minister of India.
- Elected Chairman of Standing Conference of Public Enterprises, the apex body of over 240 Central Public Sector Enterprises in India, in 2009 and re-elected unanimously in 2011 for a term of two-years.
- Received the award as the Best Individual Leader of a Public Sector Enterprise from Hon. Prime Minister of India.
- Received the Award for CSR and Responsiveness from Hon. President of India.
- Elected Vice Chair (Asia-Pacific & South-Asia) of World Energy Council, the largest multi-energy organization in the world with nearly 100 member countries.
- Received as CMD, the Gold Trophy for NTPC for best performance, from Hon. Prime Minister of India.
- Honored with the 'Asian CEO of the Year' Award by Terrapinn, a Singapore-based business media company with presence in five continents doing significant work in Energy dialogue.
- Consistently figured among India Inc's 100 Most Powerful CEOs listing by The Economic Times.
- Honored with the "Outstanding Engineer Award" by The Institution of Engineering and Technology (IET) UK, Delhi Network, for life-long contribution to "Excellence in Project Management in India".
- Honored as a 'Jewel Alumnus' by St Michael's High School, Patna.
- Honored with 'Distinguished Xaverian Award' by St. Xavier's Alumni Association for outstanding services and contribution to the Building Construction and Power sectors.
- Authored a well received book with the unusual title 'Management by Idiots' published by the prestigious McGraw Hill, India.



Shri I.J. Kapoor
Director (Commercial)

Shri I.J. Kapoor, (about 59 years), (DIN: 02051043), is a Graduate in Mechanical Engineering and Masters in Business Administration. He joined NTPC in 1978. He has a rich and varied experience of over 36 years in the areas of Commercial, Engineering, Contracts & Materials Management, Consultancy, Cost Engineering, Project Services, Quality Assurance & Inspection and Power Station Management. Prior to his elevation as Director (Commercial), he was Regional Executive Director (National Capital), responsible for operational management of generating capacity along with project implementation activities. As Director (Commercial), he is responsible for formulation & implementation of policies & strategies to ensure marketing of NTPC's entire electrical output, appropriate pricing from regulatory authority and entire payment realization from customers and generating adequate internal resources for the company to meet the future challenge of capacity addition. In addition, he is the Director In-charge of Consultancy and Business Development activities. He is also part time Chairman on the Board of Aravali Power Company Private Limited (1,500 MW) and part time Director on the Board of PTC India Limited, Meja Urja Nigam Private Limited (1,320 MW), NTPC-BHEL Power Projects Private Limited, Trincomalee Power Company Limited, Bangladesh – India Friendship Power Company Private Limited and NTPC Vidyut Vyapar Nigam Limited. He is a Fellow of Institution of Engineers, India and Senior Member, IEEE, USA.



Shri A.K. Jha
Director (Technical)

Shri A.K. Jha (about 58 Years), is a graduate in Mechanical Engineering from BIT Sindri, Ranchi University and has done LLB from Delhi University. He joined NTPC in 1977 as Executive Trainee (2nd Batch). He was directly associated with the NTPC's flagship Project i.e. Singrauli (5x200 MW) as part of erection team. He has rich and varied experience of 38 years in NTPC in all the areas of Power Project that is design & Engineering, Project Planning & Monitoring and Project Construction & Management.

He has served as Regional Executive Director (North) where he was responsible for entire portfolio management i.e. 04 nos generating stations (5490 MW), 02 nos ongoing projects (1008 MW) and 04 nos upcoming new projects (4460 MW) in Northern region of NTPC. As Executive Director (Project Planning & Monitoring), he has looked after the Planning & Monitoring of entire portfolio of NTPC's Capacity addition program of 10th and 11th Plan.

He is part time Chairman on the Board of NTPC Alstom Services Pvt Ltd (NASL).

He Joined NTPC Board in July 2012 as Director (Technical). He is responsible for concept to Investment approval of projects, complete engineering during the development of the project, induction of environment friendly technologies like Ultra Super Critical/ Advance Ultra super Critical, engineering support during O&M phase of the station and engineering for R&M of NTPC's aged power stations for enhancing life and efficiency of power plant, for the entire portfolio of NTPC i.e. Thermal, Hydro, Renewable. In case of Renewable, he has whole responsibility i.e. policy advocacy, business development, Project contracting, Engineering and commissioning. He is also responsible for, R & D through NETRA (NTPC Energy Technology and Research Alliance), Information technology initiatives including Enterprise Resource Planning (ERP) and Environmental Engineering.



Shri U.P. Pani
Director
(Human Resources)

Shri U.P. Pani, (about 59 years), (DIN: 03199828), is a Graduate in Electrical Engineering from BITS PILANI (1978) and joined NTPC in November, 1978 as (3rd batch) Executive Trainee. He has worked in Erection, Rehabilitation and Resettlement, Technical Services Deptt. of Korba STPS (3x200+3x500MW) and Talchar STPS, (6x500MW). He worked as Business Unit Head (BUH) of NSPCL (joint Venture of NTPC & SAIL) 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 Project of NTPC's biggest plant, i.e. Vindhyachal STPP (4260MW). On 15th March 2010, Shri Pani took over as Regional Executive Director (Eastern Region-I) and was responsible for overall functioning of various regional projects of NTPC and projects of various subsidiaries and joint venture of NTPC. As BUH in the capacity of GM & RED at various locations and regions, he has also been responsible for HR functions and has steered numbers of HR initiatives. As Director (HR), Shri Pani is responsible for the entire Human Resource functions of the organization. He is also responsible for the Power Management Institute (PMI) of NTPC and other corporate functions such as Resettlement & Rehabilitation, Land Acquisition, Corporate Social Responsibility, Medical Services, Corporate Security & Coordination and Infrastructure Development. He is also on the Board of Trincomalee Power Company Limited, Kanti Bijlee Utpadan Nigam Limited, NTPC Electric Supply Company Limited, Transformers And Electricals Kerala Limited and KINESCO Power and Utilities Private Limited.



Shri S.C. Pandey
Director (Projects)

Shri S.C. Pandey, (about 58 years) (DIN: 03142319), is B.E. in Instrumentation. He joined NTPC in November, 1978 as (3rd batch) Executive Trainee. He has about 34 years of comprehensive experience in management of large sized power projects in the areas of engineering, project construction and power plant operation and maintenance. He has a strong background in managing, operating and maintaining few of the largest stations of the country and has a rich experience and exposure of entire life cycle from concept to commissioning of Greenfield project. He was associated with erection, commissioning and operation of NTPC's first thermal power project at Singrauli.

Shri Pandey's experience in power sector includes 10 years of senior management level experience as a 'Business Unit Head' of India's largest project i.e. Vindhyachal, Ramagundam and Simhadri STPP, Engineering Head of the Company and as a Regional Head of NTPC projects of Eastern Region-II and Western Region.

Shri Pandey has been deputed for several overseas managerial and leadership programmes and technical training programmes 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 & Monitoring of entire Business Portfolio of NTPC covering Thermal, Hydro, Coal Mining, International JVs, Renewable, (Solar, Wind & small Hydro), Greenfield, Brownfield, under construction projects covering almost 20% capacity of 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 NTPC Board in Oct'2013 as Director(Projects). He is also the Chairman of Bhartiya Rail Bijlee Company Ltd., a subsidiary of NTPC and representing as Director in some of other joint ventures of NTPC Limited.



Shri Kulamani Biswal
Director (Finance)

Shri Kulamani Biswal (about 54 years), (DIN: 03318539), is a Commerce & Law Graduate; Fellow in Cost Accountancy and MBA from New Port University, California, USA. The most attributable features of Shri Biswal having been bestowed upon the present responsibilities are his flair in financial fundamentals; updated knowledge base and knack in business networking. He has sound exposure in the entire value chain of Energy sector – be it Regulator, be it Coal producer or now in Power Utility. He has rich and varied experience of 30 years in Coal, Power Sectors and Regulatory Affairs. In NTPC, 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 & global sources, optimum utilization of funds, budgetary controls, investment decisions and compilation of Accounts and Audit of the same by Statutory and Govt. Auditors.

During his stint as CFO of NTPC and as Board Member, major achievements are like raising Fund from Domestic as well as International Market at very competitive terms, Innovative way of rewarding shareholders by issuing Bonus Debentures – a first of such kind in India by any PSU in India and employee friendly positive steps which as boosted the morale and motivation of NTPC employees. He is in the driver seat now when NTPC is embarking into newer areas of business – be it Solar or Coal Mining or Distribution.

He has been appointed as “Owner” under the provisions of Mines Act, 1952 for development/operation and management of Coal Mines allocated to NTPC.

His leadership has brought him and NTPC lots of laurels and awards, some of the recent ones are: ‘The Best CMA-CFO’ in PSU (Manufacturing) category by The Institute of Cost Accountants of India.

Prestigious ‘CFO of the Year’ Award by EPC World with E&Y 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)

During his tenure, ICAI has conferred NTPC, the award for ‘Excellence in Financial Reporting’ for the year 2013-14 under the category Infrastructure and construction (Turnover equal to or more than Rs.500 crores) and NTPC received ‘Golden Peacock Global Award’ for the excellence in Corporate Governance in the year 2014 at London.



Shri K.K. Sharma
Director (Operations)

Shri K.K. Sharma (about 58 years), DIN 03014947 is graduate in Mechanical Engineering and MBA in Finance. He has an illustrious career spanning over 39 years of outstanding 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 had led several strategic initiatives for execution of projects as well as for achieving operational excellence.

He had been Business Unit Head (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 NTPC. He also had been Regional Executive Director (Hydro Region), Executive Director (Coal mining/ Coal Washeries), Regional Executive Director (East Region-II), Executive Director (Project Planning & Monitoring), NTPC and Chief Executive Officer of NTPC-SAIL Power Company Private Limited. Shri Sharma, through his multi-disciplinary approach in Engineering, O&M Management and financial areas, has made turnaround of NSPCL’s Durgapur by ramping up PLF from 63% to 81% and of Farakka STPS from 69% to 81%. He played the pivotal role in resolving resettlement and rehabilitation issues in Koldam, getting forests and environment clearances for captive mines of NTPC, developing business process for mine development, Green Field Projects Construction, SAP implementation & introduction of ERP-PS module for on-line monitoring of projects.

As a Director (Operations), he is overall responsible for the activities relating to sustained operation of Thermal, Hydro & Solar power stations including fuel management of all NTPC stations.



Dr. Pradeep Kumar
Govt. Nominee Director

Dr. Pradeep Kumar, (about 54 years), (DIN: 05125269), an Indian Administrative Service Officer of Kerala Cadre, is B.Tech in Electronics, MBA, Master Diploma in Public Administration and Governance and Ph.D. in the area of Integrated Freight Transport Planning. During his illustrious career of 27 years as 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.



Shri Anil Kumar Singh
Govt. Nominee Director

Shri Anil Kumar Singh, (about 46 years), (DIN: 07004069) is B.E. (Civil) and M.E. (Polymers Technology) from Delhi College of Engineering. He is MBA in Business Administration Policy and Administration from University of Ljubljana.

Shri Singh is an Indian Administrative Service Officer of AGMUT Cadre (1995 batch).

During his illustrious 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 & Promotion, Khadi & Village Industry, Health & Family Welfare, Home Affairs, Youth Affairs & Sports in various Union Territories in India prior to joining as Joint Secretary, Ministry of Power.



Dr. Alwyn Didar Singh
Independent Director

Dr. Alwyn Didar Singh, IAS (about 64 years), (DIN: 00275577), is Masters in Social Science and M.A. in History, Political Thought. He also holds Ph.D. in Policy and Strategy of Electronic Commerce. He retired as Secretary to the Government of India in the Ministry of Overseas Indian Affairs Association. During his career in Government, he held various posts including as Additional Secretary, Member (Finance), National Highways Authority of India, Department of Road Transport and Highways; and Joint Secretary in the Ministry of Heavy Industries and in Ministry of Commerce (Foreign Trade). He has also been Nominee Director on the Boards of BHEL, HMT, EPI, HEC, Cement Corporation of India, Andrew Yule. He is an expert in e-commerce and ICT development; trade and PPP. He has presented a number of papers and authored books on e-commerce and trade. He is currently the Secretary General of FICCI (Federation of Indian Chambers of Commerce and Industry), a 'not for profit' Industry Association.



Shri Prashant Mehta
Independent Director

Shri Prashant Mehta, (about 64 years), (DIN: 02284299), an Indian Administrative Service Officer of Madhya Pradesh Cadre, is 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 illustrious career of 36 years as IAS officer, he had held various administrative positions in Government of India and Government of Madhya Pradesh including education, civil aviation, railways, revenue, mines, forests, etc. 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 Chhattisgarh). He had been Managing Director of Kailaras Sugar Factory Morena and Government Nominee Director on the Board of NALCO, BALCO, Hindustan Zinc Limited and Hindustan Diamonds Limited.



Shri M.R.P. Rao
Chief Vigilance Officer

Shri M.R.P. Rao, (about 52 years), is an Indian Forest Services Officer (1986 batch) of Uttar Pradesh Cadre. He graduated in Mining Engineering from Osmania University, Hyderabad in 1983 with Gold Medal. After graduation, he works as production incharge of Mines in The Singareni Collieries Company Ltd. (SCCL) for about 4 years. Thereafter, he joined Indian Forest Service, and has held various important positions in Forest Deptt., Uttar Pradesh upto to rank of Chief Conservator. He has taken over as the Chief Vigilance Officer in NTPC Limited w.e.f. 27th Feb., 2013.

SENIOR MANAGEMENT TEAM

As on 30.07.2015

S.No.	Executive Directors S/Shri	Position Held
1	G.J. Deshpande	RED, WR-1
2	A K Ahuja	Corp. Planning
3	Sharad Anand	RED, Coal Mining
4	Arvind Kumar	RED, ER-2
5	R. Venkateswaran	RED, SR
6	S.N. Ganguly	ED to CMD & Corp. Comm.
7	Saptarshi Roy	RED, NR
8	Janardan Kar	Advisor Faculty, NTPC Business School
9	A.K. Chatterjee	Corp. Contracts & Materials
10	A.K.Sharma	Consultancy
11	Y.V.Rao	Opera. Service
12	R.K.Srivastava	Netra
13	K.S. Garbyal	RED, ER-1
14	K.K.Singh	RED, Hydro
15	A K Gupta	Engg.
16	G. Ravindra	Fuel Management
17	Sudhir Arya	Finance & Accounts
18	S.J.Muley	Renewal Energy
19	H.K.Sandhir	Coal Washery
20	V.B Fadnavis	HOP - Sipat
21	A K Rastogi	Company Secretary
22	Anuttam Chaudhuri	HOP - Singrauli
23	P R Dahake	Pro. Plann. & Monit.
24	D K Sood	Comml.
25	S K Roy	HOP - Vindhyachal
26	S Ghosh	Human Resources
27	R S Rathee	HOP - Pakri Barwadih
28	V K Padha	Business Development
29	S K Jha- IRTS officer on Deputation	Fuel Transpotation
30	P M Prasad	Coal Mining

Posted in Subsidiary/Joint Venture Companies and others

S. No.	Executive Directors S/Shri	Position Held
1	N K Sharma	CEO- NVVN
2	Manash Sarkar	CEO - NSPCL
3	Thomas Joseph	CEO - NTECL
4	D Chakrabarty	CEO - NPGCPL
5	J N singh	CEO - MUNPL

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 39th Annual Report on the business and operations of the Company along with audited financial statements for the year ended March 31, 2015.

Financial Year 2014-15 has been yet another year of achievements for your Company. With the addition of 1,290 MW capacity (including 195 MW through Subsidiary Company) during the year, total installed capacity of your Company (including subsidiaries & JVs) as on 31.03.2015 was 44,398 MW.

Further, with the commissioning of two hydro units of 200 MW each on 10.04.2015 and 12.06.2015 respectively and a 250 MW thermal unit on 22.06.2015, the total installed capacity of NTPC Group has crossed 45,000 MW.

Major highlights for the year 2014-15 are:

- Made foray into hydro generation with the commissioning of two units of 200 MW each.
- Commissioned solar plants of 35 MW capacity.
- Declared 1,195 MW (including 500 MW through JV Company) on commercial generation.
- Average PLF of 80.23% as against all India PLF of 64.46% with two NTPC stations recording more than 90% PLF.
- Excellent MOU rating by Government of India for the year 2013-14.
- Reallocation of Coal blocks namely, Kerandari,

Talaipalli, Dulanga, Chatti-Bariatu, Chatti- Bariatu (South). Now, Banai and Bhalumuda (both exclusively) and Kundanali-Luburi (jointly with J&K State Power Development Company Limited) have been allocated to your company.

- Capital expenditure (CAPEX) for the year 2014-15 was ₹ 23,239.25 crore as against the target of ₹ 22,400 crore.
- 100% realization of current bills from customers.
- Recorded total income of ₹ 75,362.37 crore as compared to ₹ 74,664.61 crore in the FY 2013-14. Net Profit after Tax (PAT) of ₹ 10,290.86 crore.
- Company rewarded its shareholders by issue of one non-convertible, secured, redeemable bonus debenture of face value of ₹ 12.50 each for every one equity share of ₹ 10 each, aggregating to ₹ 10,306.83 crore.
- Dividend of ₹ 2.50 per share (total ₹ 2,061.38 crore) comprising interim dividend of ₹ 0.75 per equity share paid in February 2015 and recommendation of final dividend of ₹ 1.75 per equity share for the year 2014-15, subject to approval of the shareholders.
- Company has been adjudged as the 'Best Company to Work for 2015' in a study conducted by Economic Times in Energy, Oil and Gas Industry Category.

You will appreciate the fact that the company recorded growth and excellent performance despite the challenge before the sector.

1. FINANCIAL RESULTS (STAND ALONE)

Revenue	2014-15		2013-14	
	₹ Crore	US \$ Mn*	₹ Crore	US \$ Mn*
Net Revenue from Operations (including Energy Sales, Consultancy, Energy consumed internally)	73,246.05	11,591.40	72,018.93	11,397.20
Other Income	2,116.32	334.91	2,645.68	418.69
Total Revenue	75,362.37	11,926.31	74,664.61	11,815.89
Expenses				
Fuel	48,845.19	7,729.89	45,829.71	7,252.69
Employee Benefits Expense	3,669.78	580.75	3,824.78	605.28
Finance Costs	2,743.62	434.19	2,406.59	380.85
Depreciation and amortization expense	4,911.65	777.28	4,142.19	655.51
Generation, administration & other expenses	4,979.31	787.99	4,543.85	719.08
Prior period items (net)	(333.83)	(52.83)	12.84	2.03
Total Expenses	64,815.72	10,257.27	60,759.96	9,615.44
Profit before Tax	10,546.65	1,669.04	13,904.65	2,200.45
Tax Expense	255.79	40.48	2,929.91	463.67
Profit for the year	10,290.86	1,628.56	10,974.74	1,736.78

Appropriations:	2014-15		2013-14	
	₹ Crore	US \$ Mn*	₹ Crore	US \$ Mn*
Transfer to bond/ debenture redemption reserve	1,156.19	182.97	576.08	91.17
Transfer to general reserve	7,000.00	1,107.77	5,000.00	791.26
Transfer to CSR reserve	78.30	12.39	-	-
Transfer to capital reserve	0.12	0.02	4.98	0.79
Interim dividend	618.42	97.87	3,298.19	521.95
Proposed dividend	1,442.96	228.35	1,442.96	228.35
Tax on dividend	417.40	66.05	804.74	127.35

*1US \$= ₹ 63.19 as on March 31, 2015

2. ISSUE OF BONUS DEBENTURES

During the Financial Year 2014-15, your Company rewarded its shareholders by issue of one secured, non-cumulative, non-convertible, redeemable, taxable, fully paid-up debenture of face value of ₹ 12.50 each by way of bonus for every one equity share of ₹ 10 each, aggregating to ₹ 10,306.83 crore.

These debentures carry a fixed coupon rate of 8.49% p.a. and will be redeemed in three instalments of ₹ 2.50, ₹ 5.00 and ₹ 5.00 per debenture at the end of 8th, 9th and 10th year respectively.

3. DIVIDEND

3.1 Interim and Final Dividend:

Your company paid interim dividend of ₹ 0.75 per equity share in February 2015 and Directors of your Company have recommended a final dividend of ₹ 1.75 per equity share for the year 2014-15. With this the total dividend for the year is ₹ 2.50 per equity share of ₹ 10/- each. This is in addition to the Bonus Debenture of ₹ 12.50 each issued by the Company in March 2015. In the year 2013-14, the total dividend paid was ₹ 5.75 per equity share of ₹ 10/- each.

The dividend payout is 20.03% and the total dividend payout including dividend tax is 24.09% of profit after tax. The final dividend shall be paid after your approval at the Annual General Meeting.

The dividend has been recommended in accordance with your Company's policy of balancing dividend pay-out with the requirement of deployment of internal accruals for its growth plans.

4. OPERATIONAL PERFORMANCE

During the year, the power stations of your Company generated 241.26 BUs (260.58 BUs including JVs & Subsidiaries) of electricity (including solar and hydro power) which was 23.12% (24.97% including generation by JVs) of the

total power generated in India (without Bhutan import) registering an increase of 3.42% (3.93% including JVs & Subsidiaries) over the previous years' generation of 233.28 BUs.

The total generation contributed by coal stations is 229.55 BUs during the year against generation of 220.70 BUs last year registering a growth of 4.01%. Generation from coal based units could have been still higher but due to less generation schedule there was opportunity loss of 23.11 BUs. The coal based stations operated at average Plant Load Factor (PLF) of 80.23% (All India PLF 64.46%) and average Availability Factor of 88.27% on bus bar during the year. During the year, 2 coal based stations out of 17 achieved more than 90% PLF.

The gas stations having a capacity of 4,017 MW achieved annual generation of 11.588 BUs at a PLF of 32.93% as against 12.569 BUs last year mainly due to less generation schedule which accounted for an opportunity loss of 20.798 BUs. The average declared capacity of gas based stations for the year was 92.18% as compared to 95.24% during previous year.

5. COMMERCIAL PERFORMANCE

5.1 Billing and Realisation

Your Company has realized 100% payment of current bills raised for energy supplied in 2014-15, thus achieving this feat for the 12th consecutive year.

All the customers were making their payments within 60 days of billing and had established LCs at 105% of the average monthly billing.

5.2 Rebate Scheme for realization of dues:

In order to encourage early and full realization of dues, your Company has formulated a special scheme called 'NTPC Rebate Scheme'. In this Scheme for 2014-15, which was aligned with CERC Regulations, graded rebate was given to those customers who were making due payment upto 55th day of billing.

5.3 Commercial Capacity:

The following units were declared commercial during the year 2014-15, adding 1,195 MW to commercial capacity of your Company:

Project/ Unit	Capacity (MW)	COD*
NTPC Units- Coal Based (I)		
Barh-II, Unit #1	660	15.11.2014
Total (I)	660	
NTPC Units -Renewable Energy Units (II)		
Rajgarh Solar**	20	30.04.2014
Singrauli Solar	15	31.12.2014
Total (II)	35	
NTPC's JV Units- Coal Based (III)		
Vallur, Unit#3 (JV with TANGEDCO)	500	26.02.2015
Total (III)	500	
Total Capacity declared commercial during 2014-15 (incl. JVs) (I)+(II)+(III)	1,195	

* COD- Commercial Operation Date

** Out of total capacity of 50 MW, 30 MW capacity of Rajgarh Solar PV was declared on commercial operation on 31.03.2014.

Commercial Capacity of NTPC as on 30.07.2015 is as under:

Owned by NTPC	MW
Coal based projects	33,015
Gas based projects	4,017
Renewable Energy Projects	110
Hydro Projects	800
Sub-total	37,942
Joint Ventures & Subsidiaries	
Coal based projects	4,034
Gas based projects	1,967
Sub-total	6,001
Total	43,943

5.4 Tariff Regulations:

In FY 2014-15, your Company has been able to recover its full capacity charges, there was no under recovery in any of the stations due to less Declared Capability (DC) below the normative DC. Tariff petitions with Central Electricity Regulatory Commission (CERC) have been filed for all the

operating stations for determination of tariff for the period from 01.04.2014 to 31.03.2019. Hearing on these petitions had started and orders will be issued after completion of hearings. The company has also filed final true-up petitions for the stations for the period from 01.04.2009 to 31.03.2014 and final orders will be issued after completion of hearings.

5.4.1 Judgements

In case of BSES Rajdhani Power Limited (BRPL) & BSES Yamuna Power Limited (BYPL) writ petitions, Hon'ble Supreme Court directed both discoms to pay the recurring monthly payments (current bills) to the generating/ transmission companies and vacated the stay on regulation of power supply against non-payment.

APTEL, through its judgment dated 24.03.2015, upheld the allowance of employees cost to NTPC by CERC on account of wage revision for the period 2007-09 and dismissed the appeals filed by TPDDL, BYPL and PSCPL against the said CERC order.

CERC allowed capitalization of R&M works in Talcher Thermal Power Station, through its order dated 15.05.2014 with consequential billing/ impact of ₹ 740 crore towards revised fixed charges.

5.5 Strengthening Customer Relationship:

Customer Relationship Management (CRM) initiative has been taken by your company towards strengthening relationship with the customers. This is also reflected in the Core Values of your Company (BE COMMITTED) which emphasizes 'Customer Focus' as one of the core values of NTPC.

Under CRM, your Company has designed and executed several structured activities with the objective of sharing of experiences and best practices with the customers, capturing the feedback and expectations. Based on the feedback received from the customers, the Company provides various support services to them and identifies potential areas of cooperation. During the year 2014-15, 62 such services were provided to the customers.

Your Company offers training programs to the representatives of beneficiary companies at Power Management Institute (PMI) on free of cost basis. During the year 2014-15, 134 participants from various customer organizations attended training in 58 programs conducted by PMI.

Besides above, your Company has rolled out a Customer Satisfaction Index (CSI) Survey for gathering customers' feedback and responding to their requirements as an essential part of CRM programme. The CSI survey had been conducted in the year 2014-15. The survey is a useful tool for further relationship with the customers.

6. INSTALLED CAPACITY

During the year 2014-15, your Company added 1,290 MW as per details given below:

Project/ Unit installed during FY 2014-15	Capacity (MW)
NTPC owned	
Coal Based Power Projects	
Barh-II, Unit#2	660
Hydro Power Projects	
Koldam Hydro, Unit#1 and 2	400
Solar Power Projects	
Rajgarh Solar PV	20
Singrauli Solar PV	15
Under JVs (Coal Based Power Projects)	
Kanti (subsidiary of NTPC in JV with BSPGCL), Unit#3	195
Addition during FY 2014-15	1,290

With above capacity addition during 2014-15, capacity added in the first three years of 12th Plan Period has reached 7,295 MW against the target of 11,920 MW for 12th Plan Period (as per CEA).

The total installed capacity of the NTPC Group as on 31.03.2015 has become 44,398 MW (43,108.31 as on 31.03.2014) as tabulated below:

Owned by NTPC	MW
Coal based projects	33,675
Gas based projects	4,017
Renewable Energy Projects	110
Hydro Projects	400
Sub-total	38,202
Joint Ventures & Subsidiaries	
Coal based projects	4,229
Gas based projects	1,967
Sub-total	6,196
Total	44,398

With the commissioning of two units of 200 MW each of Koldam Hydro Project on 10.04.2015 and 12.06.2015 respectively and 250 MW unit of Bongaigaon thermal power project on 22.06.2015, the total installed capacity of NTPC Group has reached 45,048 MW as on 30.07.2015.

7. CAPACITY ADDITION PROGRAM

Your Company has adopted a multi-pronged growth strategy which includes capacity addition through green field projects, brown field expansions, expansion through joint ventures and acquisitions, towards its journey to achieve its vision to become world's largest and best power producer powering India's Growth.

In addition to furthering capacity addition through Coal based power projects, your Company has been pursuing enhancement of its power generation portfolio through Hydro and Renewable Energy projects.

7.1 Projects under Implementation

Your Company's various projects having aggregate capacity of 23,904 MW including 4,495 MW being undertaken by Joint Venture and subsidiary companies are under implementation at 22 locations across length and breadth of the country as on 31.03.2015. This includes 22,685 MW through coal based projects, 1,219 MW through renewable energy projects, comprising 1,211 MW through hydro capacity and 8 MW mini hydro project. The details of such projects are as under:

Ongoing Projects as on 31.03.2015	
	Capacity (MW)
I. NTPC owned:	
A. Coal Based Projects	
1. Bongaigaon, Assam*	750
2. Barh-I, Bihar	1,980
3. Lara-I, Chattisgarh	1,600
4. North Karanpura, Jharkhand	1,980
5. Kudgi-I, Karnataka	2,400
6. Gadarwara-I, Madhya Pradesh	1,600
7. Vindhyachal-V, Madhya Pradesh	500
8. Mouda-II, Maharashtra	1,320
9. Solapur, Maharashtra	1,320
10. Darlipalli, Odisha	1,600
11. Unchahar, Uttar Pradesh	500
12. Tanda, Uttar Pradesh	1,320
13. Khargone, Madhya Pradesh	1,320

Ongoing Projects as on 31.03.2015	
	Capacity (MW)
Sub Total (A)	18,190
B. Hydro Electric Power Projects (HEPP)	
14. Koldam, Himachal Pradesh*	400
15. TapovanVishnugad, Uttarakhand	520
16. LataTapovan, Uttarakhand	171
17. Rammam Hydro, West Bengal	120
18. Singrauli CW Discharge, Uttar Pradesh	8
Sub Total (B)	1,219
Total I (A)+(B)	19,409
II Projects under JVs & Subsidiaries	
Coal Based Projects	
19. Nabinagar- JV with Railways, Bihar	1,000
20. Muzaffarpur Expansion (MTPS)- Subsidiary of NTPC in JV with BSPGCL, Bihar	195
21. Nabinagar, JV with BSPGCL, Bihar	1,980
22. Meja, JV with UPRVUNL, Uttar Pradesh	1,320
Total II	4,495
III Total On-Going Projects as on 31.03.2015 (I)+(II)	23,904

*Subsequently, 250 MW unit of Bongaigaon and 400 MW of Koldam Hydro Projects has been commissioned till 30.06.2015. In addition, 250 MW of Solar PV Project was awarded on 28.05.2015 to be set up at Anantpur in the State of Andhra Pradesh.

7.2 New Projects

Currently, your Company has projects for 9,850 MW thermal capacity and 510 MW renewable capacity under bidding after investment approval accorded by the Board. Feasibility Reports for 16,830 MW capacity have already been approved by your Board and project development activities are in various stages.

Your Company has signed Memorandum of Agreement on 03.05.2015 for acquisition of Patratu Thermal Power Station (770 MW) through a joint venture company to be promoted by NTPC and Jharkhand Bijlee Vitran Nigam Limited. The proposed JVC shall also take up expansion of power project by addition of 3X800 MW units in Phase-I and 2X800 MW units in Phase-II.

7.3 New Technology

To meet the challenge of fulfilling India's electricity

demands at affordable cost with minimum environmental impact, your Company has drawn a long term Technology Roadmap up to 2032. The technology roadmap envisages development, adoption and promotion of safe, efficient and clean technologies for power generation.

Your Company is planning to set up coal fired units with ultra supercritical parameters targeting efficiency comparable to best available technology in the world. It is also setting up solar PV plants.

Your Company has adopted efficient technologies, system and practices including combined cycle gas-fired power stations, Distributed Digital Control & Management Information System, High Voltage Direct Current transmission, Sliding Pressure Operation of SG, Dry Ash Extraction and Disposal, 765 KV Switchyard, Ash Water Recirculation System, Liquid Waste Management System, Performance Analysis and Diagnostic Optimization, Tunnel Boring Machines and Super Critical Technologies. These technologies have contributed to increased efficiency and greater environmental protection in its operations. They have also been later adopted in the Indian power industry, as well.

With emphasis on efficiency of electricity generation, your Company has adopted super-critical technology for Sipat plant with Steam parameters of 247 kg/cm²/537°C/565°C. For Barh Stage-II, higher steam parameters of 247 kg/cm²/565°C/593°C have been adopted, which shall also be adopted for all 660/800 MW units being taken up thereafter. The improved heat rate at these parameters will result in around 5% gain in efficiency over the efficiency of conventional sub-critical 500 MW unit.

Steam parameters have been further improved for North Karanpura to 260 kg/cm²/593°C/ 593°C. For Khargone even further improved parameter 270 kg/cm² /600°C/600°C have been adopted, which is expected to give improvement in efficiency by 3.7% over conventional super critical plant.

Your Company has entered into MOU with BHEL and Indira Gandhi Centre for Atomic Research (IGCAR) for indigenous development of advanced ultra super critical technology. This will have enhanced efficiency of around 45% and about 15-17% less CO₂ emission as compared to 500 MW sub-critical units. The program is targeted to deliver a plant having 800 MW unit with steam parameters of 310 kg/cm²/710°C at super heater outlet and 720°C at re-heater outlet.

Your Company has issued NIT for hybrid solar thermal plant by integration of solar heat with

210 MW coal based unit at Dadri. Solar heat is being integrated along with feed heaters in the turbine cycle for conversion of solar heat to electrical power with the help of existing steam cycle of 210 MW. Once integrated, this will reduce coal consumption with corresponding reduction in CO₂ emissions.

7.3.1 Energy Conservation, Technology Absorption

Details of conservation of energy and technology absorption in accordance with section 134(3) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 forms a part of this report at Annex-III.

7.4 Project Management

Your Company has an established state-of-the-art IT enabled Project Monitoring Centre (PMC) for facilitating fast track project implementation. PMC has advanced features like Web-based Milestone

Monitoring System (Webmiles), Project Review and Internal Monitoring System (PRIMS), Enterprise-wide Issues Tracking System, etc. PMC facilitates monitoring of key project milestones and also acts as decision support system for the management.

PMC is integrated enterprise-wide collaborative system to facilitate consolidation of project related issues and their resolution. Features like SMS based information delivery, real time video capture, storage and retrieval facility and conference facility are extensively utilized for project tracking, issues resolutions and management intervention. PMC has helped in providing effective coordination between the agencies and has provided enhanced/ efficient monitoring of the projects leading to better and faster project implementation.

7.5 Capacity addition through Subsidiaries and Joint Ventures (JVs)

Besides adding capacities on its own, your Company develops power projects through its subsidiaries and joint ventures, both in India and abroad.

The information of Indian Subsidiaries and JV Companies along with details of partners of joint ventures engaged in power generation is given below:

Name of Company	JV Partner(s)	Details
KBUNL (Kanti Bijlee Utpadan Nigam Ltd.)	Bihar State Power Generation Company Limited (erstwhile (BSEB))	A subsidiary Company in which NTPC holds 65% shares in joint venture with BSPGCL (erstwhile BSEB), took over MTPS having 2 units of 110 MW each from BSEB. Both the units of Stage-I have been declared on commercial operation. Total generation in FY 2014-15 was 875.14 MUs. The Company has also taken up expansion of the project by 2X195 MW units. Unit#3 of Stage-II has been synchronized on 31.03.2015. Construction activities are in full swing for Unit#4 of Stage-II.
BRBCL (Bhartiya Rail Bijlee Company Ltd.)	Ministry of Railways	A subsidiary of NTPC in joint venture with Ministry of Railways with equity contribution in the ratio of 74:26 respectively for setting up power project of 1000 MW (4X250 MW) capacity at Nabinagar in Bihar. Construction activities are in progress. In addition, NTPC Limited has signed Memorandum of Understanding with Ministry of Railways to set up 1,320 MW captive power project for Railways at Adra, West Bengal through this Company. Ministry of Railways is taking steps for allocation of coal mine to the proposed project.
NSPCL (NTPC-SAIL Power Co. Pvt. Ltd.)	Steel Authority of India Ltd. (SAIL)	A 50:50 Joint Venture Company between NTPC and SAIL, owns and operates captive power plants for SAIL at Durgapur (120 MW), Rourkela (120 MW) & Bhilai (74 MW) and Bhilai PP-III (2X250 MW), which is supplying power to SAIL, Chhattisgarh, DNH and D&D. Its present installed capacity is 814 MW. Captive power plants (314 MW) recorded generation of 2429.07 MU in FY 2014-15. Bhilai PP-III (2X250 MW) recorded generation of 3241.06 MU in FY 2014-15. NSPCL is pursuing Coal based Expansion Power Plants at Rourkela (1x250 MW), Durgapur (2x20 MW) & Bhilai (2x250 MW) and Green Field Lignite based Power Plant at Salem(2x40 MW). Bidding for EPC packages of Rourkela PP-II Expansion (1X250 MW) and Durgapur PP-III (2X20 MW) is presently in process. Feasibility Report is under preparation for Power Plant at Salem.

Name of Company	JV Partner(s)	Details
NTECL (NTPC Tamil Nadu Energy Co. Ltd.)	Tamilnadu Generation and Distribution Corporation Limited (TANGEDCO) (erstwhile TNEB)	A 50:50 JVC has commissioned 3x500 MW coal based power project at Vallur, Tamilnadu. All the units have been declared on commercial operation. Total generation of NTECL during FY 2014-15 was 5748.68 MUs.
APCPL (Aravali Power Company Pvt. Ltd.)	Indraprastha Power Generation Co Ltd. (IPGCL) and Haryana Power Generation Co Ltd. (HPGCL).	This JVC is operating 3X500 MW coal based Indira Gandhi Super Thermal Power Project. NTPC, IPGCL and HPGCL have contributed equity in the ratio of 50:25:25. Total generation of APCPL during FY 2014-15 was 7025.10 MUs.
MUNPL (Meja Urja Nigam Pvt. Ltd.)	Uttar Pradesh Raja Vidyut Utpadan Nigam Ltd. (UPRVUNL)	A 50:50 JVC is implementing 1,320 MW (2X660 MW) coal based power project in the state of Uttar Pradesh. Construction activities are in progress.
NPGCL (Nabinagar Power Generating Company Pvt.Ltd.)	Bihar State Power Generation Company Limited (erstwhile (BSEB)	A 50:50 JVC is setting up a 3x660 MW Coal based plant at Nabinagar. Construction activities are in progress.
RGPP (Ratnagiri Gas and Power Pvt. Ltd.)	GAIL, ICICI Bank, SBI, IDBI, Canara Bank and MSEB Holding Co.	NTPC had a stake of 28.91% as on 31.03.2015. All the three Power Blocks have been kept at dry preservation since 12.09.2014 due to non-availability of funds. The LNG terminal received and unloaded 10 RLNG cargo(s) during the financial year 2014-15. 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. Based on the subsidy scheme of the Government of India for the stranded gas power stations for FY 2015-16 and 2016-17, Ministry of Power has allocated 500 MW of power from the project to the Indian Railways for FY 2015-16 and FY 2016-17. Certain waiver of duties from Maharashtra Government and agreement with GAIL is awaited.
ASHVINI (Anushakti Vidhyut Nigam Ltd.)	Nuclear Power Corporation of India Ltd. (NPCIL)	NTPC is having a stake of 49%. The company was formed for setting up nuclear power project (s) and also to explore possibilities of entering in areas of front end fuel cycle like uranium mining etc. project site at Gorakhpur, Haryana has been finalized for setting up Haryana Atomic Power Plant (2X700 MW) for which physical possession of land has been completed. However, the project is yet to be formally allocated to ASHVINI. The JV Company may establish the nuclear power project subject to the amendment in the Atomic Energy Act.

7.6 Hydro Power

Your Company is increasing its footprints in renewable energy by developing hydro projects as detailed below:

- A. Koldam HEPP (4x200MW) on the river Satluj at Barmana, District Bilaspur (Himachal Pradesh): All the four units are under commercial operation since 18.07.2015.
- B. Tapovan Vishnugad HEPP (4x130MW) on River Dhauliganga, District Chamoli (Uttarakhand) is under construction. Approximately 60% work has been completed. Head Race Tunnel (HRT) contract, after completion of 7.65 km

out of 12.08 km was terminated due to non performance by agency. Award of balance HRT works is under tendering process and award is expected by Dec'15. Construction of Barrage, Switchyard and Electro-Mechanical & Hydro-Mechanical works are in progress.

- C. Lata Tapovan HEPP (3x57MW) is just at upstream of Tapovan-Vishnugad HEPP - The work was stopped by Hon'ble Supreme Court vide order dated 07.05.2014 for 24 Hydro Projects in the State of Uttarakhand including Lata-Tapovan. The Ministry of Environment, Forests & Climate Change has

constituted an expert body to look into the various concerns related with environment due to these 24 projects and provided 3 months time to submit their opinion for Lata-Tapovan HEPP & 5 other projects which were having all the Government clearances on their commencement of construction. The expert body had their first meeting on 16.06.2015.

Regarding National Board for Wild Life Clearance for Tapovan Vishnugad HEPP and Lata Tapovan HEPP, the State Board of Wildlife of Uttarakhand has recommended the proposal to NBWL for clearance of both the projects.

- D. Rammam-III HEPP (3x40MW) project is situated on river Rammam in Teesta Basin, District Darjeeling (West Bengal). Construction of approach roads and 2 steel bridges for power house and barrage have been completed. Contracts for Civil, HM & EM works have been awarded and Barrage excavation has been started.
- E. Loharinag Pala HEPP (4x150MW) on river Bhagirathi in district Uttarkashi of Uttarakhand was discontinued on the advice of Ministry of Power in the year 2010. Possibility of revival was being explored by Cabinet Secretariat in the meeting held on 12.09.2014.

7.7 Capacity Addition through Renewable Energy Sources

Your Company is adding capacity through renewable sources of energy, to broad-base its generation mix to ensure long term competitiveness, mitigation of fuel risks and promotion of sustainable power development.

Your Company has set a target to add 10,000 MW through Renewable Energy by 2022. Different initiatives in this regard are as under:

- A. An MOU has been signed with the Government of Andhra Pradesh for setting up of 1000 MW Solar PV project at AP. A letter of understanding has been signed on 10.10.2014 for developing 750 MW Solar PV project in Madhya Pradesh.
- B. Solar PV Projects commissioned during the year – 35 MWp

Sl. No.	Name of the Project	Capacity (MWp)	Commissioned on
1.	Rajgarh Solar, MP 20 MWp 30.04.2014 (30 MWp during FY 2013-14)	50	
2.	Singrauli Solar, UP	15	31.12.2014

C. Solar PV Project under execution – 250 MWp

Sl. No.	Name of the Project	Capacity (MWp)
1.	Anantpur Solar Phase-I, AP	250 (5X50 MW)

D. New Solar PV Projects under bidding – 510 MWp

Sl. No.	Name of the Project	Capacity (MWp)
1.	Solar Project at Badhla, Phase-II, Jodhpur, Rajasthan	260
2.	Solar Project at Mandsuar, Madhya Pradesh	250

- E. Your Company is planning to add 750 MW of Solar PV Project at Anantpur, AP under Phase-II.
- F. The Company has issued NIT for developing 450 KWp rooftop Solar PV Projects at Vindhyachal. The Company is also planning for development of 7.45 MW potential rooftop Solar PV projects at existing projects.

Your Company has been nominated as implementing agency by MNRE for the selection of developers under National Solar Mission Batch-2 for total 15,000 MW. Under Tranche-I, 3,000 MW solar capacity is to be added. Out of this, tender for 1,650 MW has been already floated by NTPC in the States of AP and Rajasthan.

Your Company has signed an MOU with MNRE, National Institute of Wind Energy (NIWE), Powergrid, PFC, IREDA, PTC and GPCL to form a joint venture company for offshore wind power development in India. JV Agreement has been approved by your Board and approval from other partners is awaited.

Your Company has also signed an MOU with Chattisgarh Renewable Energy Development Agency (CREDA) for development of Tatapani Geothermal project in Chattisgarh.

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.

8. STRATEGIC DIVERSIFICATION- INCREASING SELF-RELIANCE

8.1 In order to strengthen its competitive advantage in power generation business, your Company has diversified its portfolio to emerge as an integrated power major, with presence across entire power value chain through backward and forward integration into areas such as coal mining, power equipment manufacturing, power trading and distribution.

Your Company continuously explores business opportunities through market scanning and adopts new business plans accordingly.

8.2 The details of subsidiary companies engaged in business other than in power generation are as under:

8.2.1 NTPC Electric Supply Company Limited (NESCL), a wholly owned subsidiary was incorporated to foray into the business of distribution and supply of electrical energy as a sequel to reforms initiated in the power sector. The Company was implementing Rajiv Gandhi Gramin Vidyutikaran Yojna (RGGVY) projects on turnkey basis and undertakes turnkey execution of sub-stations for utilities and also takes up project management consultancy.

During 2014-15, had completed nine rural electrification projects on deposit work basis under RGGVY. Cumulatively, out of 30 RGGVY projects, 26 projects have been completed.

NESCL also undertook turnkey execution job on deposit work basis for setting up electrical distribution network within 5 kms of NTPC projects/stations. Out of the eight awarded projects two projects completed in the financial year. Cumulatively, six projects have been completed.

The shareholders of NESCL have now approved the transfer of existing business of deposit and consultancy works under RGGVY from NESCL to NTPC.

This subsidiary is also dis-associating with the business of retail distribution of power in various industrial parks developed by Kerala Industrial Infrastructure Development Corporation (KINFRA), through its Joint Venture Company namely KINESCO Power and Utilities Private Limited, as the future prospects of the JV Company are bleak.

8.2.2 NTPC Vidyut Vyapar Nigam Limited (NVVN), a wholly owned subsidiary is involved in power trading, sale of fly ash and cenosphere.

During the year 2014-15, the Company transacted

business with various state electricity boards spread all over the country and traded 10,315 MUs of electricity.

NVVN has been appointed as the nodal agency for cross border trading of electricity with Bhutan and Bangladesh. The power supply to Bangladesh from NTPC stations under PPA signed between NVVN and Bangladesh Power Development Board has commenced from October 2013.

The Company has also been designated as the Nodal Agency for implementation of Jawahar Lal Nehru National Solar Mission Phase-I by purchasing and selling of grid connected bundled solar power across the country.

NVVN had been actively involved in facilitating the development of a wholesale electricity market in India and has developed significant domain knowledge for development of power market. NVVN has been sharing the learning with other stakeholders in Indian Power market through various workshops and thus contributing to capacity building among stakeholders.

The Board of your Company had decided to transfer ash business and sale of cenospheres earlier carried out by NVVN to be carried out by NTPC stations, in order to enhance fly ash utilization considering market potential in the vicinity of power plant and local issues at stations and to have better co-ordination between potential fly ash users and Ash Management Group at stations.

8.3 The details of joint venture companies which are taking up activities in our business related areas are given below:

Name of Company	JV Partner	Activities undertaken
UPL (Utility Powertech Ltd.)	Reliance Infrastructure Limited	Takes up assignments of construction, erection and supervision of business in power sector and other sectors like O&M services, Residual Life Assessment Studies, non-conventional projects etc.
NASL (NTPC ALSTOM Power Services Pvt. Ltd.)	ALSTOM Power Generation, AG	Takes up renovation and modernization assignments of power plants both in India and in other SAARC countries. The Company booked orders of ₹ 386.08 crore in FY 2014-15. Turnover of the Company was ₹ 66.49 crore. R&M including RLA work orders are under execution. Bids have also been submitted for other work orders.

Name of Company	JV Partner	Activities undertaken
EESL (Energy Efficiency Services Ltd.)	PFC, PGCIL and REC	The Company was formed for implementation of Energy Efficiency projects and to promote energy conservation and climate change. The Company is providing consultancy on Energy Audit of Buildings and Agricultural Pump replacement under Perform Achieve Trade Scheme work and standard & leveling work of BEE, consultancy work, implementing Bachat and agricultural & municipal pump replacement for various State Govts.
NHPTL (National High Power Test Laboratory Pvt. Ltd.)	NHPC, PGCIL, DVC and CPRI	The Company has been formed for setting up facility for short circuit testing of transformers and other electrical equipment. High Voltage Transformer (HVTR) Lab and Medium Voltage Transformer (MVTR) Lab at Bina, M.P. for short circuit testing of Transformers upto 765 kV is under construction which is expected to be commissioned in 2015.
NPEX (National Power Exchange Ltd.)	NHPC, PFC, TCS, BSE, IFCI, Meenakshi, DPSC	The Company was formed to facilitate, promote, assist, regulate and manage nationwide trading of all forms of electrical energies and also to settle trades in a transparent fair and open manner. 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.
NBPPL (NTPC-BHEL Power Projects Pvt. Limited)	Bharat Heavy Electricals Limited	The Company was incorporated for taking up activities of engineering, procurement and construction (EPC) of power plants and manufacturing of equipments. The manufacturing plant of NBPPL at Mannavaram, Tirupati in Andhra Pradesh for CHP and AHP has commenced production from December 2014.

Name of Company	JV Partner	Activities undertaken
NBPPL (NTPC-BHEL Power Projects Pvt. Limited)	Bharat Heavy Electricals Limited	The Company is executing EPC contracts for balance of plants packages of Palatana Combined Cycle Power plant in Tripura, Namrup Combined Cycle Power Plant in Assam, Balance of Plant including Erection & Commissioning works of the entire plant at Monarchak, Tripura for NEEPCO and EPC Contract for Unchahar. Both the units of Palatana have been commissioned and work at other sites is in progress. The Company's order bookings as on March 31, 2015 was ₹ 35 lakh. Total turnover of the Company was ₹ 520 crore (provisional) for the year 2014-15.
(BF-NTPC) BF-NTPC Energy Systems Limited	Bharat Forge Limited	This Company was incorporated to manufacture castings, forgings, fittings and high pressure piping required for power projects and other industries. 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.
TELK (Transformers and Electricals Kerala Limited)	Acquisition of 44.6% stake in TELK from Government of Kerala on June 19, 2009	The Company deals in manufacturing and repair of Power Transformers. TELK order booking as on 31.03.2015 was ₹ 118.58 crore and the total turnover of the Company was ₹ 130.02 crore in the financial year 2014-15.

9. GLOBALISATION INITIATIVES

- 9.1 Trincomalee Power Company Limited (TPCL), a 50:50 joint venture Company between your Company and Ceylon Electricity Board was formed to undertake the development, construction, establishment, operation and maintenance of a coal based electricity generating station of

2X250 MW capacity at Trincomalee at Sri Lanka. EIA report was submitted to Central Electricity Authority, Sri Lanka on 09.02.2015.

- 9.2 Bangladesh-India Friendship Power Company Private Limited, a 50:50 joint venture company between NTPC and Bangladesh Power Development Board (BPDB) has been formed for developing a 2X660 MW Coal based power project at Khulna Division, Rampal, Bangladesh. Project activities at site have commenced.

10. **CONSULTANCY SERVICES:** Consultancy Wing of your Company offers services like Engineering, Operation & Maintenance Management, Project Management, Contracts & Procurement Management, Quality Management, Training & Development etc.

These services have been provided in international markets in Gulf countries, Bangladesh, Nepal, Sri Lanka and Bhutan.

On international front, Owner's Engineers Services is being provided to Trincomalee Power Company Ltd. for setting up their 2x250MW Coal Based Power Project. Consultancy Wing is also providing O&M Management Services to 2X120 MW Siddhirganj Peaking Power Plant of Electricity Generation Company of Bangladesh under a World Bank funded contract.

On the domestic front, Consultancy Wing has been effectively sharing its expertise with State, Central PSUs and other clients. These include Project Monitoring Services to MPPGCL for 2x600MW Shree Singaji TPP & 2x250MW Satpura TPP by deputing NTPC experts at site.

11. **FINANCING OF NEW PROJECTS**

The capacity addition programs shall be financed with a debt to equity ratio of 70:30. Your directors believe that internal accruals of the Company would be sufficient to finance the equity component for the new projects. Given its low geared capital structure and strong credit ratings, your Company is well positioned to raise the required borrowings.

Your Company is exploring domestic as well as international borrowing options including overseas development assistance provided by bilateral agencies to mobilize the debt required for the planned capacity expansion program.

The details of funding are discussed in the Management and Discussion Analysis Report which forms part of this Report.

12. **FIXED DEPOSITS**

Your Company has discontinued the acceptance of fresh deposits and renewals of deposits under NTPC's Public Deposit Scheme with effect from

11.05.2013. As such, there was no deposits which were not in compliance with the requirements of Chapter-V of the Companies Act, 2013.

The details relating to deposits, as per the Companies Act, 2013 are as under:

(a)	Accepted during the year	Nil
(b)	Remained unpaid or unclaimed as at the end of the year	13 Deposits amounting to ₹17.51 lakh*
(c)	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved	
	(i) At the beginning of the year	Nil
	(ii) Maximum during the year	Nil
	(iii) At the end of the year	Nil

* Pending for completion of legal formalities/ restraint orders/ non-receipt of claims

13. **FUEL SECURITY**

- 13.1 During the year, the supply position of coal and gas is given as under:

- 13.1.1 **Coal Supplies**

Presently, long term Coal Supply Agreements are in place for 33,515 MW for the units already commissioned/ to be commissioned.

To enhance coal supply at critical units, short-term Memorandum of Understanding (MOU) has been signed with Eastern Coalfields Limited (ECL) in 2014-15 for supply of 5.0 MMT of coal. Another short term MOU has been signed with Northern Coalfields Limited (NCL) in 2014-15 for supply of 3.0 MMT.

Letter of assurance (LOA) for quantity of 7.039 MMT of erstwhile 'E' grade coal by CCL was issued on 24.03.2015 for North Karanpura Project. For Mouda Unit#2 after considerable persuasion, the pricing of coal had been revised by WCL and 'cost plus' FSA had been signed on 10.02.2015 for an ACQ of 0.6 MMT.

- 13.1.2 **Domestic Coal and Imported Coal**

During 2014-15, your Company received 167.4 MMT of coal as against 160.6 MMT in 2013-14 marking an increase of 4.23%.

Total domestic coal supply during 2014-15 was 151.1 MMT as against 149.8 MMT during 2013-14.

The total coal supply from CIL was 138.6 MMT and from SCCL was 12.5 MMT. 7.0 MMT of coal was procured through bilateral MOU during 2014-15.

During 2014-15, your Company imported 16.4 MMT of coal as against 10.8 MMT in 2013-14.

13.1.3 Sourcing of coal through E-auction

Your Company participated in 3 e-auctions for coal procurement during the financial year 2014-15 in which total coal allotted was 0.19 MMT. Total coal received through e-auction was 0.94 MMT (including receipt of coal out of previous years allocation) during 2014-15 as compared to 3.15 MMT during 2013-14.

13.1.4 Supply through Inland Waterways

During 2014-15, about 5.06 lakh MT imported coal has been supplied through inland waterways to Farakka station.

13.1.5 Rationalisation of Linkage

With the initiatives of Ministry of Power and Ministry of Coal, Inter Ministerial Task Force has recommended rationalisation of linkage for optimization of transportation cost and decongestion of railway network. In this respect, your company has rationalised the linkage of Mouda station from MCL to SECL which may result in savings upto ₹ 45.39 crore per annum.

13.1.6 Swapping of coal with GSECL

In September 2014, NTPC had entered into swapping agreement with Gujarat State Electricity Corporation Limited (GSECL) wherein imported coal of NTPC-Sipat was swapped with GSECL's domestic coal. This will result in substantial savings for both utilities.

13.1.7 Commencement of third party sampling

Third party sampling by agency deployed by power utility has commenced for the first time in the country. Accordingly, all NTPC stations except Ramagundam STPS deployed the third party sampling agents.

13.2 Gas supplies

During 2014-15, your Company received 6.41 MMSCMD of gas and RLNG as against 6.87 MMSCMD received during 2013-14. The gas offtake in 2014-15 includes 6.17 MMSCMD of gas and 0.24 MMSCMD of RLNG. Gas offtake was less due to less availability of generation schedule on RLNG from the beneficiary states.

Your Company has Administered Price Mechanism (APM) gas agreements up to the year 2021 and Panna Mukta Tapti (PMT) gas agreements up to the year 2019 for its gas stations. The term sheet for non-APM gas with GAIL is valid till 2016 and long-

term RLNG supply agreement with GAIL is valid till 2019.

Your Company has been making arrangements for tie-up and supply of spot RLNG or Fallback RLNG from domestic suppliers on 'reasonable endeavour' basis based on requirement and availability from time to time.

The Government extended the guidelines for 'Clubbing/ diversion of gas between two or more power plants' for gas stations of your company for another year w.e.f. 12.02.2015. With the diversion of unutilised gas from NTPC WR stations to NCR stations, additional 2.37 BUs (approx) of electricity has been generated at NCR gas stations during FY 2014-15.

13.3 Development of Coal Mining projects

Your Company was allocated ten coal blocks by the Government of India, out of which, five blocks namely, Chatti-Bariatu, Kerandari, Talaipalli, Dulanga, Chatti-Bariatu (South), were cancelled by the Hon'ble Supreme Court through order dated 24.09.2014. Subsequently, the Ministry of Coal, on 24.03.2015, declared reallocation of four coal blocks to your Company (Chatti-Bariatu and Chatti-Bariatu (South) have been clubbed), for which allotment agreements had been signed between your company and Government of India on 30.03.2015.

Government of India has also issued formal allotment letters to your Company on 31.03.2015 for Banai, Bhalumuda coal blocks. Kundanali-Luburi coal block has been allotted jointly to your company and J&K State Power Development Company Limited (J&KSPDCL). For developing Kundanali-Luburi coal block, a joint venture company is proposed to be formed between your Company and J&KSPDCL.

With the allocation of total 8 coal blocks with estimated geological reserves of over 5 BT, your company expects to produce about 82 million tonnes of coal per annum.

In Pakri-Barwadih coal mining block, all the necessary statutory clearances are available. Mine opening permission has already been received from Coal Controller and DGMS. Fresh contract for appointment of Mine Developer & Operator (MDO) for Pakri-Barwadih is in progress as the earlier contract was terminated due to its poor performance. MDO contract awarded for Chatti-Bariatu was also terminated due to cancellation of the coal block by the Supreme Court.

Meanwhile, as a parallel action, short-term contracts for removal of overburden, coal extraction and transportation upto Railway

Siding are planned from a part of Pakri-Barwadih block (Eastern Pit) for which tendering has been done. Your company has received mine opening permission from DGMS for Chatti-Bariatu coal block.

Your company is trying for allocation of few more coal blocks in the next round of allotment of coal blocks for Government Companies.

Your Company had formed Joint Venture Companies namely CIL NTPC Urja Private Limited, NTPC-SCCL Global Ventures Private Limited and International Coal Ventures Private Limited to explore further avenues in the area of coal mining. However, these JV companies have not been able to achieve their objectives owing to certain constraints like inability of the JV Company to execute the work, government directive etc. 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.

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.

Further, the Company has decided to exit from International Coal Ventures Private Limited for which clearance from cabinet is awaited.

13.4 Exploration Activities

In Cambay exploration block allotted under NELP-VIII, held by NTPC as operator with 100% participating interest, drilling of one explanatory well has been completed and drilling of second well is in progress. Drilling of balance exploration wells is planned in the FY 2015-16.

In one of KG basin exploration blocks viz. KG-OSN-2009/1 where ONGC is the operator and NTPC has 10% stake, drilling of an exploratory well has been completed. Tests conducted did not indicate presence of hydrocarbons in the well. The well has been plugged and abandoned. In other KG basin exploration block viz. KG-OSN-2009/4 where ONGC is the operator and NTPC has 10% stake, the exploration activities are in progress and ONGC has submitted a proposal to the Government of India for reduction on minimum work program as the permitted area of the block has been reduced because of non-grant of defence clearance. It has been decided to relinquish Andaman basin exploration block viz. AN-DWN-2009/13 where ONGC is the operator and NTPC has 10% stake, to the Government of India as per advice from ONGC.

14. BUSINESS EXCELLENCE: GLOBAL BENCHMARKING

To achieve higher levels of excellence, the company has developed and adopted its own 'NTPC Business Excellence Model' on the lines of globally reputed Excellence Models such as Malcom Baldrige Model, USA and EFQM Model of Europe. The model has been deployed at our Business Units (Stations) and your Company carry out assessment of generating stations using this framework of excellence.

In the financial year 2014-15, the 5th cycle of assessment was completed in which 21 generating stations were assessed by a team of certified and proficient assessors. Business Excellence Awards for Best Performance to Dadri and Runner-up shield to Talcher-Thermal stations were presented by the Union Minister of Power, GOI, in the Indian Power Stations Conference- 2015 held at New Delhi.

As a next step on the Journey of Excellence, the company is planning to implement Business Analytics and Information Management initiative to enhance overall strategic focus and alignment.

Contemporary quality initiatives and techniques like Quality Circles, Professional Circles, 5S, integrated management system (IMS) etc have been deployed across the organization for continuous improvement. Our Quality Circle teams of workmen have been consistently representing NTPC at national and international Quality Circle conventions and bringing many laurels.

15. RENOVATION & MODERNISATION

In the present scenario of severe resource constraint, Renovation and Modernization (R&M) of power plants is considered to be the best option for bridging the gap between demand and supply of power, as R&M schemes are cost effective. It increases the life of the plant, improves performance & availability, enhances capacity and ensures safe, reliable and economic electricity production by replacement of worn-out, deteriorated or obsolete electrical, mechanical, instrumentation, controls and protection system by state-of-the-art equipment. It also helps in compliance of environment norms.

With a view to removing technological obsolescence, renovation of control & instrumentation (C&I) is in progress in Singrauli-I & II, Korba -I & II, Ramagundam -I & II, Farakka-II, Dadri Thermal- I, Unchahar- I , Talcher-I and Kahalgaon-I STPS. During 2014-15, C&I R&M was completed in one 500 MW unit of Singrauli, one 200 MW unit & one 500 MW unit of Korba, two 500 MW units of Ramagundam, one 210 MW unit of Dadri Thermal, one 210 MW unit of FGUPTS and

one 500 MW unit of Talcher STPS. On completion of these schemes, the C&I systems in these stations will be brought nearly on par with the new power projects.

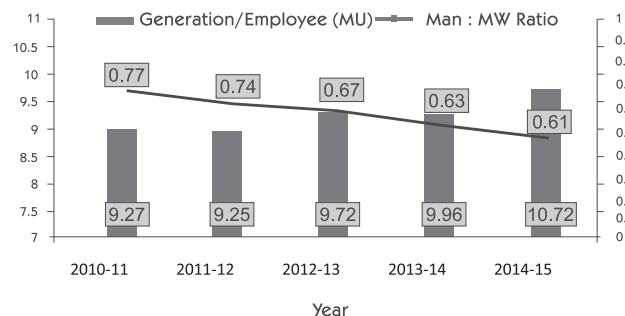
Because of the very high working temperatures, R&M of Gas Turbines including their Control & Instrumentation is essential after around 15 years of life. During the year, this activity was completed in all the 4 Gas Turbines (GT) each in Kawas and in Auraiya and 2 out of 3 GT in Gandhar.

With a view to comply with increasingly stringent environment norms of reduced emission level prescribed by State Pollution Control Boards, Renovation and Retrofitting of Electrostatic Precipitator (ESP) packages have been awarded and work is in progress in Badarpur-II, Singrauli-I & II, Farakka-I, Unchahar-I, Korba-I & II, Rihand-I, Vindhyachal-I & II, Talcher STPS -I & II and Talcher TPS-II. Amongst these, Moving Electrode Electrostatic Precipitator technology (MEEP) is being adopted for the first time in the country in Rihand Station. During 2014-15, ESP R&M of Unit#4 of Badarpur was completed.

To derive benefits of the latest advancements in technology, in cooperation with CEA, EEC/VGB/Steag Germany, a study has been taken up on ESP performance improvement using CFD modeling in Unit#6 of Ramagundam, with scheduled completion in December 2015.

16. HUMAN RESOURCE MANAGEMENT

16.1 Your Company takes pride in its highly motivated and competent Human Resource that has contributed its best to bring the Company to its present heights. The productivity of employees is demonstrated by increase in generation per employee and reduction of Man-MW ratio year after year. The over-all Man-MW ratio for the year 2014-15 excluding JV/subsidiary capacity is 0.61 and 0.56 including capacity of JV/ Subsidiaries. Generation per employee was 10.72 MUs during the year based on generation of NTPC stations.



The total employee strength of the company stood at 24,067 as on 31.3.2015 against 25,013 as on 31.3.2014.

	FY 2014-15	FY 2013-14
NTPC		
Number of employees	22,496	23,411
Subsidiaries & Joint Ventures		
Employees of NTPC in Subsidiaries & Joint Ventures	1,571	1,602
Total employees	24,067	25,013

The attrition rate of the NTPC executives (including Executive Trainees and those posted in Subsidiaries and JVs) during the year was 1.35%.

16.2 Employee Relations

Employees are the driving force behind the sustained stellar performance of the company over all these years of company's ascendancy. As a commitment towards the Company's core values, Employees' Participation in Management was made effective based on mutual respect, trust and a feeling of being a progressive partner in growth and success. Communication meetings with unions and associations, workshop on production and productivity, etc were conducted at projects, regions and corporate level during the year.

Both, employees and management complemented each other's efforts in furthering the interest of the company as well as its stakeholders, signifying and highlighting over-all harmony and cordial employee relations prevalent in the Company.

16.3 Safety and Security

Occupational health and safety at workplace is one of the prime concerns and utmost importance is given to provide safe working environment and to inculcate safety awareness among the employees. Company recognizes and accepts its responsibility for establishing and maintaining a safe working environment for all its employees and associates. Your Company has 3-tier structure for Occupational health and Safety management, namely at Stations/Projects, at Regional Head Quarters and at Corporate Centre.

All our stations are certified with OHSAS-18001/IS-18001. Internal safety audits by our own safety officers of various projects/stations and external safety audits by reputed organizations are carried out for each Project/Station.

Cross functional safety task force for O&M and construction projects are functional at all projects/ stations to monitor unsafe working conditions at site and its rectification. For strict compliance & enforcement of safety norms and practices by the contractors, safety clauses are included in General Conditions of Contract/ Erection Condition of Contract.

Many of our plants have been awarded with prestigious safety awards conferred by various Institutions/Body like Ministry of Labour & Employment-Govt. of India, National safety council, Institution of Engineers (India), in recognition of implementing innovative safety procedures and practices.

Security: Your Company recognizes and accepts its responsibility for establishing and maintaining a secured working environment for all its installations, employees and associates. This is being taken care of by deploying CISF at all units of your Company as per norms of MHA. Concrete steps are being taken for upgrading surveillance systems at all projects/ stations by installing state-of-the-art security systems.

16.4 Training and Development

In line with its objective of being a learning organization with skilled and committed employees, your Company has relentlessly promoted training and development of not only its own employees but also other professionals of the power sector. The objective is being driven by a comprehensive infrastructure comprising Power Management Institute (PMI) at the corporate level and Employee Development Centers at its sites. The training imparted is in tune with emerging needs and challenges and for this purpose, the existing training programs are reviewed and some new programs are included in the annual calendar every year.

PMI has taken firm steps to strengthen the Project Management competency in the country through an International Project Management framework. A Post Graduate Certificate in Project Management (PGCPM) programme in collaboration with IIM-Indore is being conducted for developing long term project management competency. PMI has been providing skill based training to various public and private sector utilities/companies. A similar tie-up has been done with IIM-Ahmedabad for knowledge creation.

For all round development of India's power sector, PMI has conducted several customized training programmes for the benefit of State utilities, CPSEs

and private sector companies at their locations as well as in PMI. In addition, several individuals from State utilities have benefited from the regular training programmes being conducted at PMI, Noida. In all, 1,163 participants from such other organizations got trained at PMI during 2014-15.

During 2014-15, PMI has conducted total 441 training programmes covering 9,373 executives, logging a total of 36,235 training mandays. PMI conducted 20 training programs through Web Conferencing during 2014-15.

PMI imparts hands-on training to participants from various power utilities on Super Critical Technology through its 660 MW Simulator. So far, over 1000 power plant professionals have been provided training since its inception.

PMI also conducted 3 International Training Programmes, each of total 6 weeks' duration, for ABB Limited in Abu Dhabi on Power Plant Operation and Simulator Training on GE Combined Cycle Gas Power Plant, thus creating a global brand image for itself and Company. A high level programme titled "Strategic Business Sense and Leadership", anchored by renowned faculties, was held exclusively for senior Executives of the Company during 25-28 November, 2014. Programmes on Enterprise Risk Management are also being held for Senior Management personnel at Regional Offices of NTPC.

Your Company is among the pioneers to start an Employee Assistance Program (confidential expert counselling service for employees and their family members).

With the objective of grooming professionals into world class power plant managers, PMI has opened "NTPC School of Business" for running PG Diploma in Management approved by AICTE. This 15 months course will also include learning inputs from international faculty and provide exposure to industries outside India.

PMI is mandated to bolster the skills initiative of your Company for development of the country's youth. In line with this, PMI as the nodal agency is facilitating the adoption of existing Government ITIs and setting up of new ITIs in different parts of the country spanning 16 States. Up till now, your Company has adopted 17 ITIs and set up 7 new ITIs near its power stations, thus associating with total 24 ITIs. Of the 17 Govt. ITIs adopted by your Company, 14 ITIs were adopted under the PPP scheme of Gol and 3 ITIs have been adopted under bilateral agreement with different State governments. These initiatives by your Company

have resulted in creation of total 1,595 new seats by starting of new trades/units in the adopted & new ITIs, and, till 31.03.2015, cumulatively, a total of 23,131 students have benefitted from this initiative. For these ITI students, NTPC organised total 46,864 mandays of industrial training/plant visits. Due to all these skill development initiatives, your Company has been conferred two awards “The Education Excellence Award - 2013” and “PMI (India) Award for Community Development - 2014”.

17. SUSTAINABLE DEVELOPMENT

Your Company believes that growth and development can be sustainable only if they happen in all the three fronts i.e Environment, Economic and Social. In line with NTPC Vision, ‘Powering India’s Growth’, the Company adopts business approach which is guided by Sustainable Development i.e. development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Business Responsibility Report is attached as Annex-IX and forms part of the Annual Report.

Initiatives by the Company

Your Company has developed a policy on Sustainable Development in accordance with a sustainable development plan prepared for the year 2014-15. The main areas covered were projects on bio-diversity conservation, waste management, reduction in air emissions in addition to promotion of renewable energy. Major activities carried out under this plan included plantation of more than 2 lakh saplings in and around plants, installation of roof top solar PV, solar street lights, rain water harvesting, installation of bio-methanation plant, vermi composting, other techniques for conversion of domestic waste in organic fertilizer. Studies like pollutant source apportionment, human health risk assessment and environment impact assessment are also being taken up.

A total expenditure of ₹ 19.53 crore was incurred on these Sustainable Development Projects during the Financial Year 2014-15.

In its endeavor to achieve the goals of Sustainable Development, your Company is addressing the issues through multi-pronged approach as per the details given below:

17.1 Inclusive Growth –Initiatives for Social Growth

17.1.1 Corporate Social Responsibility:

Your Company has always discharged its social

responsibility as a part of its Corporate Governance philosophy. It follows the global practice of addressing CSR issues in an integrated multi stakeholder approach covering the environmental and social aspects.

NTPC CSR initiatives are in focus areas of basic infrastructure development like sanitation, road, drinking water, primary education, community health, vocational training, women empowerment etc. Overall impact of these initiatives includes improvement in health, academic success, reduction in number of girl dropouts, reduced hardship and improved connectivity etc. During the year special thrust has been given to the “Swachh Vidyalaya Abhiyan” for construction of toilets in government schools.

17.1.2 NTPC Foundation

NTPC Foundation is engaged in serving and empowering the physically challenged and economically weaker sections of the society.

Details of expenditure incurred and initiatives undertaken by the Company under CSR are covered in the Annual Report on CSR annexed as Annex-VII to this Report.

17.1.3 Rehabilitation & Resettlement (R&R)

Your Company is committed to help the populace displaced for execution of its projects and has been making efforts to improve the socio-economic status of Project Affected Persons (PAPs). In order to meet its social objectives, your Company is focusing on effective R&R of PAPs and undertaking community development activities in and around the projects.

R&R activities are initiated at our projects by undertaking need based community development activities in the area of health, education, water, capacity building infrastructure etc by formulating Initial Community Development (ICD) Plan in consultation with concerned Panchayat, district administration and opinion makers of the locality. As per the policy, a detailed socio-economic survey (SES) is conducted by a professional agency to create a baseline data of PAPs.

R&R plan expenditure is implemented in a time bound manner so as to complete its implementation by the time the project is commissioned. A social impact evaluation is being conducted by a professional agency to know the efficiency of R&R Plan implementation for future learning and improvements.

17.1.4 R&R achievements during the year:

(a) Initial Community Plan (ICD):

- ICD plan for Bilhaur project enhanced.
- Community Development plan for Kahalgaon MGR to Hurra Mines approved.
- Implementation of ICD activities continued at Barethi, Darlipalli, Gajmara, Khargone, Nabinagar (BRBCL) and Nabinagar (NPGCL) projects.
- (b) Rehabilitation and Resettlement (R&R) Plan:
 - R&R plans for Barethi, Mouda-II, Khargone, Darlipalli, Uncharhar-IV and Rammam -III projects covering areas like health, education, sanitation, drinking water, infrastructure facilities finalized and approved in consultation with the stakeholders.
 - R&R activities were implemented in new green/ brownfield Thermal Projects at Barh, Bongaigaon, Gadarwara, Muzaffarpur, Korba, Kudgi, Lara, Meja, Mouda, North-Karanpura, Solapur, Tanda, Vallur, Vindhychal. In Hydro Projects at Koldam, Lata-Tapovan, Tapovan-Vishnugad and Coal Mining projects at Pakri-Barwadih, Chhatti- Bariatu, Kerendari, Dulanga and Talaipalli, R&R activities were implemented.
 - Provisions made for running expenses for Solapur Power and Industrial Training Institute, with three trades electrician, fitter and welder.
 - IIIT, Raipur – construction is in progress.
 - Setting up of mother and child care hub and critical care unit approved for Katwa sub-division hospital, Burdwan as part of R&R expenditure for Katwa Project.
 - Mobile Health Clinic at Kudgi, Nabinagar (NPGCL), Pakri-Barwadih, Nabinagar (BRBCL) and Gajmara projects continued this year.
 - SES for Bilhaur and Mouda-II projects was completed.

17.2 Environment Management – Initiatives for preserving Environment

Vision Statement on Environment Management:

“Going Higher on Generation, lowering GHG intensity”

Your Company is pursuing the objective of environment protection as one of its prime responsibilities and focuses its efforts to mitigate the impact of its operation on surrounding environment. To meet the environmental challenges of 21st century and beyond, the Company has adopted sound environment management practices and advanced environment

protection system to minimize impact of power generation on environment.

Your Company has adopted advanced and high efficiency technologies such as super critical boilers for recently commissioned and the upcoming green field projects. Your company is augmenting its capacity by installing solar power systems and micro hydel power systems attached to its thermal power stations, wherever possible, so as to encourage garnering of renewable energy resources. The Company is also designing its up-coming plants to use beneficiated coal and imported low ash coal. These measures are aimed not only to achieve reduction in pollution and minimize use of precious natural resources but also to lead to reduction of CO₂ emissions per unit of generation thereby reducing global warming.

17.2.1 Control of Air Emissions: High efficiency Electrostatic Precipitators (ESPs) with efficiency of the order of 99.97% and above, with advanced control systems have been provided in all coal based stations to keep Suspended Particulate Matter (SPM) below permissible limits. All up-coming new plants are being provided with ESPs designed in such a manner that would cater to the anticipated future norms. Performance enhancement of ESPs operating over the years is being carried out by augmentation of ESPs fields, retrofitting of advanced ESP controllers and adoption of sound O&M practices. Flue Gas Conditioning systems have also been provided at our old units which are helping in reduction of SPM emissions below statutory limits even during coal quality variations due to blending of coal etc.

NOx control in coal fired plants is achieved by controlling its production by adopting best combustion practices. Since tall stacks are provided in coal stations, NOx emitted through stacks is widely dispersed and diluted. In gas based stations, NOx control systems (hybrid burners or wet DeNOx) have been provided for good combustion practices.

Fugitive emission from ash pond is controlled by maintaining water cover, tree plantation on abandoned ash ponds, water spray and earth cover in inactive lagoons. Providing dust suppression and extraction system in CHP area has further added to reduction in fugitive dust in the vicinity of power stations.

17.2.2 Control of water pollution and promotion of water conservation: Various water conservation measures have been taken up to reduce water consumption in power generation by using

3Rs (Reduce, Recycle & Reuse) as guiding principle.

Provision of advanced treatment facilities such as Liquid Waste Treatment Plants (LWTP), Recycling Systems for Ash Pond Effluent called Ash Water Recirculation System (AWRS) and closed cycle condenser cooling water systems with higher Cycle of Concentration (COC), rain water harvesting wherever plausible and reuse of treated sewage effluent for horticulture purposes are some of the measures implemented in most of the stations. All these measures have resulted in reduction of effluent discharge from the power plants of NTPC.

17.2.3 Automation of environment measurement system: 67 continuous ambient air quality monitoring stations (AAQMS) have been installed to capture the real time data and access thereof viz., PM 10, PM 2.5, SO₂, NOx and access has been provided to the Central Pollution Control Board and State Pollution Control Boards. Additional ozone analyzers for ambient air are also being provided phase-wise at the stations. Installation of Continuous Emission Monitoring Systems (CEMS) to monitor emissions of SO₂, NOx and CO₂ in all its existing units on real time basis is in advance stage. It is also installing Effluent Quality Monitoring System (EQMS). For all the upcoming projects, real time monitors for ambient air and emissions are included in the engineering packages during design stage itself.

17.2.4 Environmental Studies: Your Company has taken a number of studies for better environment protection and to develop strong scientific database.

17.2.5 Tree Plantation: Your Company has planted 21.783 million trees till date throughout the country as a measure of massive afforestation.

The afforestation has not only contributed to the 'aesthetics' but also helped in carbon sequestration by serving as a 'sink' for CO₂ released from the stations and thereby protecting the quality of ecology and environment in and around the projects.

17.2.6 ISO 14001 & OHSAS 18001 Certification: All NTPC's stations have been certified with ISO 14001 and OHSAS 18001 by reputed National and International certifying agencies as a result of sound environment management systems and practices.

17.3 Quality Assurance and Inspection (QA&I)

Your company has invested hugely in Quality with the view to secure long term plant reliability. Investment in terms of committing adequate

number of qualified and trained human resources for quality related activities, laboratories at the construction sites and, more importantly, robust processes providing for direction methods and standards of performance, for the various tasks associated with quality.

Quality in your company has a much deeper meaning: identification of needs, planning for realization of the needs jointly with the stake holders including the various suppliers and verification whether the needs have been built into the product/service during manufacturing and erection & commissioning. The quality loop is further extended to capture whether the originally indented plant reliability and operation standards have been realized or not. Gaps, if any, are filled through resetting the methods and standards through continuous improvements.

Your company's performance indicators, exceptional by any standards, bears testimony to the soundness of the quality system deployed.

Your Company is represented on various technical committees of ISO and IEC and is actively contributing in formulation and updating of power sector technical and quality standards/guidelines.

17.4 Clean Development Mechanism (CDM)

Your Company is undertaking climate change issues proactively.

Three of its solar projects namely 5MW each solar PV project at Dadri, Port Blair (Andaman & Nicobar) and Faridabad had already been registered with UNFCCC CDM Executive Board. 8MW Small Hydro Power Project at Singrauli is in advanced stage of validation and is likely to be submitted shortly to UNFCCC for CDM registration. 6173 numbers of CERs for 5MW solar PV Power project at Port Blair (A&N) had already been issued by UNFCCC CDM Executive Board. Verification/ issuance of CERs for 5 MW solar power PV project at Dadri is in process.

17.5 Ash Utilisation

During the year 2014-15, 59.15 million tonnes of ash was generated and 39.52% viz. 23.38 million tonnes of ash had been utilized for various productive purposes.

Important areas of ash utilization are - cement & asbestos industry, ready mix concrete plants (RMC), road embankment, mine filling, ash dyke raising & land development.

Pond ash from all stations of your Company is being issued free of cost to all users. Fly ash is also

being issued free of cost to fly ash/ clay-fly ash bricks, blocks and tiles manufacturers on priority basis over the other users from all coal based thermal power stations. The funds collected from sale of ash up to Dec'14 was being maintained in a separate account by NVVN, a wholly-owned subsidiary company. Now this fund has been transferred to your Company and is being maintained in the separate account. This fund is being utilized for development of infrastructure facilities, promotion and facilitation activities to enhance ash utilization.

Your Company has also introduced Ash Policy, which is a vision document dealing with the ash utilization issue in an integral way from generation to end product. This policy aims at maximizing utilization of ash for productive usage alongwith fulfilling social and environmental obligations as a green initiative in protecting the nature and giving a better environment to future generations.

The quantity of ash produced, ash utilized and percentage of such utilization during 2014-15 from NTPC Stations is at Annex-VIII.

17.6 CenPEEP – towards enhancing efficiency and protecting Environment

Your Company initiated a unique voluntary program of GHG emission reduction by establishing 'Center for Power Efficiency and Environmental Protection (CenPEEP)' and under this program, it is estimated that cumulative CO₂ avoided is 40.25 million ton since 1996.

CenPEEP is coordinating the implementation of 'Perform, Achieve & Trade (PAT) Scheme' under Prime Minister's National Mission on Enhanced Energy Efficiency (NMEEE) wherein 22 stations of your Company are Designated Consumers (DC). Based on the gap analysis, station specific action plans were prepared & implemented for efficiency improvement and reduction in auxiliary power to achieve the PAT targets.

Thrust has been given for efficiency improvement and sustenance through strategic initiatives of Energy Efficiency Management System (EEMS), and reliability improvement through Reliability Centered Maintenance (RCM) & PdM systems. A pool of over 350 certified Energy Auditors has been created in your Company helping in the culture of energy conservation. A dedicated group CEETEM – Centre for Energy Efficient Technology & Energy Management, coordinates regular Energy audits to induce focused actions and activities for improvement.

Monitoring and analysis of critical efficiency

parametric aberrations & draft power consumption is done using PI dashboards & online systems like Thermal Loss Analyser (TLA), Output Loss Analysis (OLA) and System Energy Efficiency Display (SEED). These systems assist the operator in tracking the gaps in heat rate and auxiliary power consumption & facilitate tracking and trending of degradation of equipment performance and formulation of action plans for improvement.

Under Indo-US bilateral program 'Partnership to Advance Clean Energy – Deployment (PACE-D)' supported by USAID, a manual on 'Benchmarking for Super critical Units' was prepared jointly with US experts.

CenPEEP is actively involved in the training and development of power professionals from your Company and other utilities in the power sector. It conducts domain specific workshops in areas of Boiler & Auxiliaries, Turbine & Auxiliaries, Cooling Towers, RCM and PdM technologies etc.

18. NETRA – R&D Mission in Power Sector

Your Company, as the leading power utility of the country, has assigned 1% of PAT for R&D activities. Its research efforts are focused 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 enable seamless work flow right from concept to commissioning. The focus areas of NETRA are - Efficiency Improvement & Cost Reduction; New & Renewable Energy; Climate Change & Environmental protection and Advanced Scientific Services.

Research Advisory Council (RAC) of NETRA comprising of eminent scientists and experts from India and abroad is in place to steer research direction.

In order to provide maximum possible benefit to the stations while developing green technologies, many projects/activities have been undertaken for implementation.

NETRA continued to provide scientific support to all stations as well as many other utilities stations in the area of oil/water chemistry, environment, electrical, rotor dynamics etc for efficient performances.

NETRA laboratories are accredited as per ISO 17025 and its NDT laboratory has also been recognized as "Well known Remnant Life

Assessment Organization” under the Boiler Regulations, 1950. Phase-II NETRA infrastructure is under construction with approx 21000 sq m floor area and is expected to be completed by Dec’2015. Phase II will have 30 laboratories, workshop, pilot plant bay and an auditorium with seating capacity of 400 persons.

19. IMPLEMENTATION OF OFFICIAL LANGUAGE

Several steps were taken for the proper propagation and implementation of Official Language Policy of Government of India in the Company.

Meetings of Official Language Implementation Committee were held on 20th June, 30th September, 30th December, 2014 & 24th March, 2015 in which the implementation of Hindi in the Organization was reviewed thoroughly. Various Hindi competitions were organized during Hindi fortnight from 1st to 14th September, 2014 in the corporate office as well as in all projects of NTPC Limited. Corporate Hindi Magazine “Vidyut Swar” was awarded All India first prize by Hon’ble President of India. Hindi workshops were conducted for the various departments of the Company. Renowned Hindi scholars inspired the participants of Hindi workshops to use Hindi in day-to-day official work.

Most of the office orders, formats and circulars were issued in Hindi as well. Important advertisements and house journals were released in bilingual form- in Hindi and in English.

Your Company’s website also has a facility of operating in bilingual form- in Hindi as well as in English.

20. VIGILANCE

20.1 Vigilance Mechanism:

Your Company ensures transparency, objectivity and quality of decision making in its operations, and to monitor the same, the Company has a Vigilance Department headed by Chief Vigilance Officer, a nominee of Central Vigilance Commission. The four units of Vigilance Department namely Corporate Vigilance Cell, Departmental Proceeding Cell (DPC), MIS Cell and Technical Cell (TC) deal with various facets of vigilance mechanism.

333 surprise checks were conducted in various departments and recovery was made against discrepancies.

Various guidelines were issued during 2014-15 to improve systems in the Company pertaining to procurement, accounting, payments, agreements, enlistment of vendors etc.

20.2 Implementation of Integrity Pact

Your Company is committed to have total transparency to its business processes and as a step in this direction; it signed a Memorandum of Understanding with Transparency International India in December, 2008. The Integrity Pact is being implemented for all contracts having value exceeding ₹ 10 crore. Three Independent External Monitors have been nominated by the Central Vigilance Commission for all contracts with value exceeding ₹ 100 crore. New format of Integrity Pact as per the Company’s requirement and the suggestions given by IEMs were implemented.

20.3 Implementation of various policies/ circulars

Complaint Handling Policy, Fraud Prevention Policy and Whistle Blower Policy have been implemented in the Company to build and strengthen a culture of transparency. A uniform policy for banning of business dealings with the contractors/ vendors has been formulated and implemented.

During 2014-15, 159 complaints were received, out of which 84 complaints were carried to a logical conclusion and the remaining 75 complaints are under various stages of investigation. Appropriate disciplinary action has also been initiated wherever necessary.

20.4 Vigilance Awareness Week and Workshops

During 2014-15, 41 preventive vigilance workshops were conducted at various projects/ places in which 1,230 employees participated.

Vigilance awareness week was observed from October 27, 2014 to November 2, 2014 in all NTPC projects and stations/ establishments.

21. REDRESSAL OF PUBLIC GRIEVANCES

Your Company is committed for resolution of public grievance in efficient and time bound manner. Company Secretary has been designated as Director (Grievance) to facilitate earliest resolution of public grievances received from President Secretariat, Prime Minister’s Office, Ministry of Power etc.

In order to facilitate resolution of grievances in transparent and time bound manner, Department of Administrative Reforms & Public Grievances, Department of Personnel & Training, Government of India has initiated web-based monitoring system at www.pgportal.in.

As per directions of GOI, public grievances are to be resolved within two months time. If it is not possible to resolve the same within two months period, an interim reply is to be given. Your company is making all efforts to resolve grievances in above time frame.

22. RIGHT TO INFORMATION

Your Company has implemented Right to Information Act, 2005 in order to provide information to citizens and to maintain accountability and transparency. The Company has put RTI manual on website for access to all citizens of India and has designated a Central Public Information Officer (CPIO), an Appellate Authority and APIOs at all sites and offices of the Company.

During 2014-15, 1,288 applications were received under the RTI Act, out of which 1,242 applications were replied to till 31.03.2015.

23. USING INFORMATION AND COMMUNICATION TECHNOLOGY FOR PRODUCTIVITY ENHANCEMENT

Your Company has implemented an Enterprise Resource Planning (ERP) package covering maximum possible processes across the organization including subsidiaries. In addition to the core business processes and Employee Self Service (ESS) functionality, the ERP solution also includes e-procurement, Knowledge Management, Business Intelligence, Document Management, and Workflow etc. The ERP system is fully managed through in-house expertise from process groups and technical groups. Parallely, in-house solutions have been developed to take care of the non-ERP areas

A state of the art data centre with centralized server facility for ERP to cater to the entire Company is in Operation at NOIDA. A 100% disaster recovery centre is also operational at Hyderabad for change over in case of any emergency.

24. NTPC GROUP: SUBSIDIARIES AND JOINT VENTURES

Your Company has currently 4 subsidiary companies and 21 joint venture companies for undertaking specific business activities.

A statement containing the salient feature of the financial statement of your Company's Subsidiaries, Associate Companies and Joint Ventures as per first proviso of section 129(3) of the Companies Act, 2013 is included in the consolidated financial statement.

The financial statements of subsidiary companies along with the respective Directors' Report are placed elsewhere in this Annual Report.

25. INFORMATION PURSUANT TO STATUTORY AND OTHER REQUIREMENTS

Information required to be furnished as per the

Companies Act, 2013 and Listing Agreement with Stock Exchanges are as under:

25.1 Statutory Auditors

The Statutory Auditors of your Company are appointed by the Comptroller & Auditor General of India. M/s O.P. Bagla & Co., M/s PSD & Associates, M/s PKF Sridhar & Santhanam, M/s V. Sankar Aiyar & Co., M/s Ramesh C. Agrawal & Co. and M/s A.R. & Co. were Joint Statutory Auditors for the financial year 2014-15.

The Comptroller & Auditor General of India has appointed (i) M/s T R Chadha & Co., Chartered Accountants, New Delhi, (ii) M/s PSD Associates, Chartered Accountants, New Delhi, (iii) M/s Sagar & Associates, Chartered Accountants, Hyderabad, (iv) M/s Kalani & Co., Chartered Accountants, Jaipur, (v) M/s P A & Associates, Chartered Accountants, Bhubaneshwar, (vi) M/s S K Kapoor & Co., Chartered Accountants, Kanpur and (vii) M/s B M Chatrath & Co., Chartered Accountants, Kolkata as the Joint Statutory Auditors of the Company for the year 2015-16.

25.2 Management comments on Statutory Auditors' Report

The Statutory Auditors of the Company have given an unqualified report on the accounts of the Company for the financial year 2014-15. However, they have drawn attention under 'Emphasis of Matter' to Note-22 (b) to the financial statements relating to accounting of sales on provisional basis and Note 34 in respect of a project where the matter is pending before the Hon'ble Supreme Court of India.

The issues have been adequately explained in the respective Notes referred to by the Auditors.

25.3 Review of accounts by Comptroller & Auditor General of India (C&AG)

As advised by the Office of the C&AG, the comments of C&AG on the accounts for the year 2014-15 alongwith management replies thereto are placed with the report of Statutory Auditors of your Company elsewhere in this Annual Report.

25.4 COST AUDIT

As prescribed under the Companies (Cost Records and Audit) Rules, 2014, the Cost Accounting records are being maintained by all stations of the Company.

The firms of Cost Accountants appointed under Section 148(3) of the Companies Act, 2013 for the financial year 2013-14 and 2014-15 were (i) M/s Narasimha Murthy & Co., Hyderabad, (ii) M/s Musib & Co., Mumbai, (iii) M/s Sanjay Gupta & Associates, Delhi, (iv) M/s Bandopadhyay Bhaumik & Co., Mumbai, (v) M/s S. Dhal & Co., Bhubhaneshwar and (vi) M/s R.J. Goel & Co., Delhi.

The due date for filing consolidated Cost Audit Report in XBRL format for the financial year ended March 31, 2014 was September 27, 2014 and the consolidated Cost Audit Report for your Company was filed with the Central Government on September 10, 2014.

The Cost Audit Report for the financial year ended March 31, 2015 shall be filed within the prescribed time period under the Companies (Cost Records & Audit) Rules, 2014.

25.4 Performance Evaluation of the Directors and the Board

As required under the Companies Act, 2013 and the Listing Agreement, evaluation of performance of directors including that of the Independent Directors and of the Board is to be carried out either by the Board or by the Nomination and Remuneration Committee or by the Independent Directors. It also requires disclosure of formulated criteria for performance evaluation in this Report.

In this regard, the Ministry of Corporate Affairs, through Notification dated 05.06.2015, has exempted the Government Companies from these provisions. The appointment of the Functional Directors, Government Nominee Directors and Independent Directors of your Company is made by the Government of India. Their terms & conditions of appointment as well as tenure of all directors are also decided by GOI and there is a well laid down procedure for evaluation of Functional Directors & CMD as well as of Government Directors by Administrative/ respective Ministry. Also, the performance of the Board of the Government Companies is evaluated during the performance evaluation of the MOU signed with the Government of India.

25.5 Secretarial Audit

The Board has appointed M/s Agarwal S. & Associates, Company Secretaries, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as Annexure 'X' to this Report.

The Managements' Comments on Secretarial Audit Report are as under:

Observations	Management's Comments
Composition of the Board of Directors of the Company is not in compliance with Second Proviso to Section 149(1) and Section 149(4) of the Companies Act, 2013, Clause 49(II)(A) of the Listing Agreement and Para 3.1.2 and 3.1.4 of the DPE Guidelines on Corporate Governance for CPSEs issued by the Department of Public Enterprises	As per the Listing Agreements executed with the Stock Exchanges, the Company should have nine Independent Directors since Company has seven functional Directors including the Chairman & Managing Director and two Government Nominee Directors on its Board as against two Independent Directors in position at present. Further, the Company does not have any woman Director on the Board. Being a Government Company the power to appoint the Directors on the Board of the Company vests with the President of India and accordingly, the Company is, from time to time, requesting Ministry of Power to appoint woman director and the requisite number of Independent Directors on its Board.

25.6 Particulars of contracts or arrangements with related parties

During the period under review, the Company had not entered into any material transaction with any of its related parties. The Company's major related party transactions are generally with its subsidiaries and associates. All related party transactions were in the ordinary course of business and were negotiated on an arm's length basis. They were intended to further the Company's interests.

Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

Web-link for Policy on Materiality of Related Party Transactions & also on Dealing with Related Party Transactions has been provided in the Report on Corporate Governance, which forms part of the Annual Report.

25.7 Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future: NIL

25.8 Adequacy of internal financial controls with reference to the financial statements: The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

25.9 Loans and Investments

Details of Loans and Investments covered under the provisions of Section 186 of the Companies Act, 2013 forms part of financial statement, attached as a separate section in the Annual Report FY 2014-15.

25.10 Sexual Harassment of Women at Workplace

The Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. In association with the National Commission for Women, PMI has taken the initiative to conduct Gender Sensitization workshops for building a Collaborative Work Culture across your Company. In these workshops, the employees, both male and female, are sensitized and made aware about issues and laws pertaining to sexual harassment as well as appropriate behavior at the workplace. During 2014-15, PMI has conducted 8 such workshops across the organization covering 260 employees. One complaint of sexual harassment was received during the year 2014-15, which was resolved.

25.11 Procurement from MSEs

The Government of India has notified a Public Procurement Policy for Micro and Small Enterprises (MSEs), Order 2012. In terms of the said policy, the total eligible value of annual procurement of goods produced and services rendered by MSEs (including MSEs owned by SC/ST entrepreneurs) during the year 2014-2015 was ₹ 140 crore. The total procurement made from MSEs (including SC/ST entrepreneurs) was ₹ 317.12 crore.

25.12 Particulars of Employees

As per provisions of section 197(12) of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company is required to disclose the ratio of the remuneration

of each director to the median employee's remuneration and details of employees receiving remuneration exceeding limits as prescribed from time to time in the Directors' Report.

However, as per notification dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government Companies are exempted from complying with provisions of Section 197 of the Companies Act, 2013. Therefore, such particulars have not been included as part of Directors' Report.

25.13 Extract of Annual Return:

Extract of Annual Return of the Company is annexed herewith as Annexure 'VI' to this Report.

25.14 Information on Number of Meetings of the Board held during the year, composition of committees of the Board and their meetings held during the year, establishment of vigil mechanism/ whistle blower policy and web-links for familiarization/ training policy of directors and Policy for determining 'Material' Subsidiaries have been provided in the Report on Corporate Governance, which forms part of the Annual Report.

24.15 Para on development of risk management policy including therein the elements of risks are given elsewhere in the Annual Report.

25.16 No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

The particulars of annexures forming part of this report are as under:

Particulars	Annexure
Management Discussion & Analysis	I
Report on Corporate Governance	II
Information on conservation of energy, technology absorption and foreign exchange earnings and outgo	III
Statistical information on persons belonging to Scheduled Caste / Scheduled Tribe categories	IV
Information on Physically Challenged persons	V
Extract of Annual Return	VI
Annual Report on CSR Activities	VII
Project Wise Ash Utilisation	VIII
Business Responsibility Report for the year 2014-15	IX
Secretarial Audit Report in Form MR-3	X

26. BOARD OF DIRECTORS

Shri Anil Kumar Singh, JS (Thermal), Ministry of Power has joined as Government Nominee Director of the Company with effect from October 31, 2014.

Consequent upon superannuation of Shri N.N. Misra on October 31, 2014, Shri K.K. Sharma has taken over as Director (Operations) with effect from November 1, 2014.

Consequent upon completion of three years' tenure, Shri S.B. Ghosh Dastidar and Shri R.S. Sahoo have ceased to be the Independent Director w.e.f. August 25, 2014 and Shri Ajit M. Nimbalkar and Shri S.R. Upadhyay have ceased to be the Independent Director w.e.f. January 19, 2015.

Further, upon completion of three years' tenure, Ms. H.A. Daruwalla, Shri A.N. Chatterji and Prof. Sushil Khanna have ceased to be the Independent Director w.e.f. February 27, 2015.

The Board wishes to place on record its deep appreciation for the valuable services rendered by Shri S.B. Ghosh Dastidar, Shri R.S. Sahoo, Shri N.N. Misra, Shri Ajit M. Nimbalkar, Shri S.R. Upadhyay, Ms. H.A. Daruwalla, Shri A.N. Chatterji and Prof. Sushil Khanna during their association with the Company.

In accordance with Section 152 of the Companies Act, 2013 and the provisions of the Articles of Association of the Company – Shri A.K. Jha and Shri U.P. Pani shall retire by rotation at the Annual General Meeting of your Company and, being eligible, offers themselves for re-appointment.

27. DIRECTORS' RESPONSIBILITY STATEMENT

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

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2014-15 and of the profit of the company for that period;
3. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. the Directors had prepared the Annual Accounts on a going concern basis;
5. the Directors, had laid down internal financial

controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

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

28. ACKNOWLEDGEMENT

The Directors of your Company acknowledge with deep sense of appreciation, the co-operation received from the Government of India, particularly the Prime Minister's Office, Ministry of Power, Ministry of Finance, Ministry of Environment, Forests & Climate Change, Ministry of Coal, Ministry of Petroleum & Natural Gas, Ministry of Railways, Department of Public Enterprises, Central Electricity Authority, Central Electricity Regulatory Commission, Comptroller & Auditor General of India, Appellate Tribunal for Electricity, State Governments, Regional Power Committees, State Utilities and Office of the Attorney General of India.

The Directors of your Company also convey their gratitude to the shareholders, various international and Indian Banks and Financial Institutions for the confidence reposed by them in the Company.

The Board also appreciates the contribution of contractors, vendors and consultants in the implementation of various projects of the Company. We also acknowledge the constructive suggestions received from Government and Statutory Auditors.

We wish to place on record our appreciation for the untiring efforts and contributions made by the employees at all levels to ensure that the company continues to grow and excel.

For and on behalf of the Board of Directors



(Dr. Arup Roy Choudhury)
Chairman & Managing Director
(DIN: 00659908)

Place: New Delhi

Date: 30th July, 2015






MANAGEMENT DISCUSSION AND ANALYSIS

RE - eNERGISING THE POWER SECTOR

It has been a tumultuous year for power sector marked by several ups and downs. The cancellation of 204 coal blocks due to Hon'ble Supreme Court's decision followed by an aggressive e-auction of the coal mines, a new scheme of reverse e-auction of gas for revival of stranded and partly - stranded gas power plants, Government of India (GoI) in RE - Invest 2015 gave a push to the world's largest renewable capacity expansion program being run in India. These measures coupled with reforms in the loss-laden electricity distribution sector, have been aimed to re-energise the sector, however, the road that lies ahead of us is dotted with challenges.

GROWTH ALONG THE POWER VALUE CHAIN

The GoI has accelerated measures to resolve the issues confronting the sector. Some of the highlights of the year are as under:

-  Highest coal production growth in 23 years - 8.3%
-  Highest ever Capacity Addition ~22.57 GW (excluding RES*)
-  Highest ever increase in transmission lines & sub station capacity (22101 ckm and 65554 MVA respectively)
-  ₹1.09 lakh crore investment in sub-transmission and distribution through DDUGJY and IPDS
-  Per Capita Consumption crosses 1000 units** ; Lowest ever energy deficit - 3.6%

*Renewable Energy Sources; Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY); Integrated Power Development Scheme (IPDS); ** Provisional. (Source: Ministry of Power (MoP); Central Electricity Authority (CEA))

INDUSTRY STRUCTURE AND PERFORMANCE

A chain is as strong as its weakest link, the same is true for the power value chain, each link has to keep pace with the other to achieve a sustainable performance in future. The developments, achievements and issues in various segments of the industry have been discussed in the ensuing paragraphs.

1. Capacity and Generation

The addition to total installed capacity during financial year 2014-15 was ~26464 MW (including RES), a growth of 10.8% over previous year installed capacity. The capacity addition excluding RES 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 (Source : CEA , MoP).

Segmentation of Generation and Capacity				
Installed Capacity (MW)				
Ownership	11 th Plan end	% Mix	31.03.2015	% Mix
State	85918.65	43	95078.84	35
Private*	54275.75	27	104122.17	38
Central	59682.63	30	72521.16	27
Total	199877.03	100	271722.17	100

*excluding captive capacity; (Source: CEA)

Electricity generation has crossed 1 trillion units and registered a growth of 8.4%, the highest in 20 years. (Source : CEA , MoP)

Generation (BUs)						
Fuel	2014-15	% Mix	Centre	State	Private	Bhutan
Thermal	878.32	84	308.05	299.26	271.01	-
Nuclear	36.10	3	36.10	-	-	-
Hydro	129.24	12	50.96	67.54	10.74	-
Bhutan import	5.01	1	-	-	-	5.01
Total	1048.67	100	395.11	366.80	281.75	5.01
% Mix (sector wise)			38	35	27	0

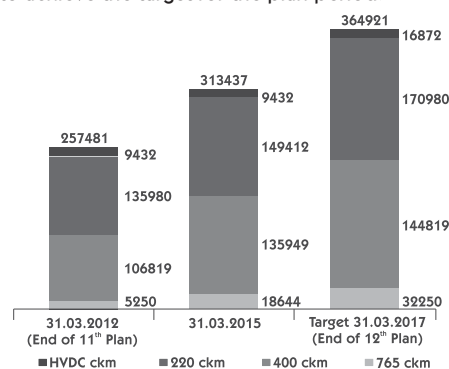
(Source: CEA)

While private sector has almost doubled the capacity in 3 years and increased its share to 38%, however, it has the least share of 27% in actual generation. The all India Plant Load Factor (PLF) of thermal capacity for financial year 2014-15 has dropped to 64.46% from 65.56% in financial year 2013-14 (Source: CEA). The expected rise in demand due to industrial and GDP growth are likely to improve PLFs.

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.

2. Transmission

The transmission network (at voltages of 220 kV and above) in the country has grown at a rate of 6-7% p.a. till now in the 12th Plan and is in line to achieve the target for the plan period.



(Source: CEA); HVDC: High Voltage Direct Current

Inter-regional transmission capacity has become 46450 MW as on 31.03.2015 and has increased at 18.7% p.a. since end of 11th plan.

The AC substation transformation capacity has increased to 582600 MVA as on 31.03.2015 at the rate of 13.4% p.a. and the HVDC substation capacity has increased to 13500 MW as on 31.03.2015 at 11.5% p.a. in the last 3 years. (Source: CEA)

Over the next few years, the demand for transmission capacity is expected to increase significantly, driven primarily by significant increases in generation capacity and also due to requirements of open access, inter-regional transfers and integration of renewable power in the system.

Initiatives for the future:

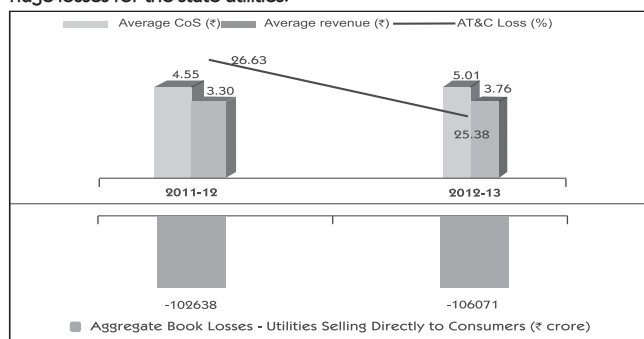
- National Smart Grid Mission: has been approved to bring efficiency in power supply network and facilitate reduction in losses and outages.
- Green Energy Corridor: Projects amounting to ₹ 38,000 crore are being rolled out to ensure evacuation of renewable energy.

3. Distribution

The electricity business is not merely about setting up power generation stations and transmission systems, but equally, and probably more crucially, about retailing electricity and recovering the cost of service from consumers. Despite several schemes for revival of the distribution segment the financial and operational health of the discoms remains bleak.

The average tariff has increased in the past few years, but the rise has not been commensurate with the increase in the cost of supply. The

consistent revenue gap, coupled with high AT&C losses have piled up huge losses for the state utilities.



(Source: PFC Report 2012-13); CoS: Cost of Supply, AT&C: Aggregate Technical and Commercial; Losses are without subsidy

To improve the distribution segment's performance following new initiatives have been launched:

DDUGJY for rural India entails:

- Separation of agricultural and non-agricultural feeders.
- New transformers and up-gradation of last mile infrastructure.

IPDS for urban areas entails:

- Smart metering for large consumers and tamper proof meters at homes.
- Comprehensive sub-transmission and distribution infrastructure up-gradation.
- Underground cabling and high tech gas insulated sub-station transformers in densely populated areas.

Electricity Act is being amended to give consumers a choice to choose and change power service provider like a mobile connection. Competition will lead to lower tariffs and better service. Power sector cannot deliver its social commitment until it is commercially and financially viable, and hence strengthening the distribution segment should be done on war footing to bring long term sustainability.

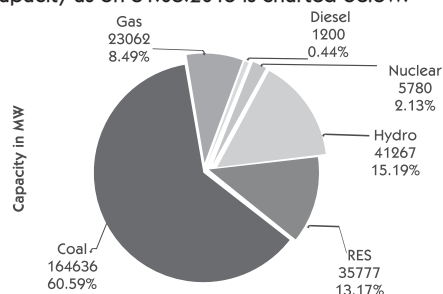
4. Power Trading

Power trading market accounts for an average of ~7-9% of total generation. The total power traded in financial year 2014-15 is 80 BUs (provisional) as against 83 BUs in previous financial year. (Source: Central Electricity Regulatory Commission (CERC) reports)

Open access to consumers, share of merchant power in upcoming independent power plants, improving financial health of discoms who would buy merchant power at market prices instead of load shedding, regional imbalances of energy and peak deficit, resolution of constraints of power flow to southern region, establishment of distribution franchisees etc. are some drivers for power trading business in India.

5. Fuel

Coal is the mainstay of power sector in India. The fuel mix of installed capacity as on 31.03.2015 is charted below:



(Source: CEA); RES (Ministry of New and Renewable Energy (MNRE))

Coal production in the country has risen significantly and leading the way is Coal India Limited (CIL) the country's single largest coal producer. Raw coal production by CIL in financial year 2014-15 is ~494 MT an increase of 7% over previous fiscal. Gol has also set an ambitious target of doubling CIL's production to ~1000 MT by 2020. (Source: CIL website and MoP)

Brisk steps have been taken by Gol to address the potential crisis from cancellation of 204 coal blocks by Supreme Court. Out of the above 29 coal blocks have been auctioned, 38 coal blocks have been allotted to PSUs and the reallocation of remaining mines is targeted for financial year 2015-16. (Source : Ministry of Coal)

The idea of coal linkage rationalisation had been mooted in 2010 and a new inter-ministerial task force was set up in June 2014. This exercise will enable linking plants with their nearest coal mines to ensure minimum transportation of coal, unclog railway network and pass on savings of ~\$1 billion (~₹ 6000 crore) to consumers (Source: MoP).

Gol has also implemented scheme for utilisation of Gas based Power Generation Capacity - a scheme for supply of imported Re-gasified Liquefied Natural Gas ("e-Bid RLNG") to the 14035 MW of fully stranded gas based plants (plants with no supply of domestic gas) and 9845 MW of partly stranded plants (with limited availability of domestic gas). The plants are selected based on reverse e-bidding mechanism for the financial support given by the Government, so that the net price of power for the Discoms is available at or below ₹ 4.70/unit and ₹ 3.39/unit respectively for the two categories of power plants. The scheme also envisages sacrifices to be made collectively by all stake holders i.e. Gol, State Govt., re-gasifier, gas supplier, transporter, power developer, banks, etc. to make the RLNG viable for power generation. The scheme is valid for two years i.e. till March, 2017 (Source: MoP).

Renewables – a double revolution in the making

The quest for energy independence, economic growth and environmental sustainability increasingly suggests the importance of renewable energy sources. The mining, transporting and burning of coal is associated with heavy social and environmental costs, hence the thrust on developing sustainable renewable power is quintessential.

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

Wind	Solar	Others
23444	3744	8589

(Source : MNRE)

Gol has set an ambitious target of renewable energy capacity of 175000 MW by 2022 comprising of 100000 MW Solar, 60000 MW Wind, 10000 MW Biomass and 5000 MW Small Hydro Power. The solar target will principally comprise of 40 GW rooftop and 60 GW through large and medium scale grid connected solar power projects. The new solar target is expected to abate over 170 million tonnes of CO₂ over its lifecycle. (Source: MoP)

Thus, we might be looking at a twin energy revolution in India. The first revolution is a shift from fossil fuels (mainly coal) to renewables (primarily solar). As a consequence of the first, the second revolution will be a transformation of the industry in which we shall see much more distributed power generation, many more market participants and a more flexible grid.

RAPID PROGRESS IN RENEWABLE ENERGY

"We are like tenant farmers chopping down the fence around our house for fuel when we should be using Nature's inexhaustible sources of energy – sun, wind and tide. ... I'd put my money on the sun and solar energy. What a source of power! I hope we don't have to wait until oil and coal run out before we tackle that!"
– Thomas Edison

1112 MW
Highest ever increase in solar capacity

Target increased by more than 5X times from 32 GW to 175 GW by 2022

42% Increase in Solar Capacity during 2014-15

RE-INVEST 2015 1st Renewable Energy Global Investors Meet & Expo

(Source : MoP)



Considering the massive potential of renewable energy in the country and the incentives doled out by Gol, the targets looks achievable but not before overcoming several challenges like - high cost of renewable power; financing the huge capacity given the off take risks due to the poor financial health of buyers; enforcing renewable purchase obligations; huge land requirement; parallel investment in infrastructure for evacuation of power; ensuring grid stability; flexible grid; thermal backup when renewable is offline etc.

6. Demand and Supply

The energy requirement registered a growth of 6.5% and peak demand grew at 9.0% during the financial year 2014-15. The energy and peak deficit during financial year 2014-15 was 3.6% and 4.7% and is likely to go further down to 2.1% and 2.6% respectively, despite very high shortages likely to be experienced by southern region (Source : Load Generation and Balance Report 2015-16) . The demand is believed to be suppressed due to poor financial health of discoms who find supplying power at existing tariffs unviable.

The energy requirement will go up once the latent demand is unlocked. Industrial consumption is the maximum and most remunerative in India, growth in industrial activity will fuel power demand in the country. Further, still large population to the tune of ~28 crore are without access to power. The per capita consumption of power in India still remains abysmal at 1010 units (provisional) for financial year 2014-15. Gol has also set a target to provide 24x7 Power for all by 2019 (Source: CEA; MoP). Given the above scenario the long term outlook for power demand remains strong.

7. Major Regulatory Developments in the Sector

Some of the important Regulatory developments of 2014-15 are as follows:

1. Central Electricity Regulatory Commission (Power System Development Fund) Regulations 2014 (PSDF):

CERC in June 2014 issued the CERC (Power System Development Fund) Regulations 2014.

The main constituent of the PSDF are congestion charges, deviation settlement charges, regional load despatch centre reactive energy charges, additional transmission charges arising out of short term open access transactions and any other charges as maybe notified by the Commission from time to time.

This fund can be utilized for the purposes of transmission systems of strategic importance, installation of reactive energy generators, special protection schemes, for relieving congestion and for projects having a bearing on the grid security. Recently the e-bid RLNG scheme for stranded gas plants has also been a beneficiary of PSDF.

2. The Electricity (Amendment) Bill, 2014 :

Introduced in Lok Sabha in December 2014 seeks to amend the Electricity Act, 2003. Primarily, it seeks to segregate the distribution network from the electricity supply business. It also seeks to introduce multiple supply licensees in the market.

It also seeks to promote provision of electricity through Smart Grid and install smart meters for proper accounting and measurement of the consumption and metering of electricity.

3. Proposed amendments to National Tariff Policy :

Ministry of Power has proposed several changes to the National Tariff Policy. Some changes are significant, like the proposal to substantially increase solar renewable purchase obligation (from 3% by 2022 to 8% by March 2019), to remove inter-state transmission charges on renewable power, permits third party sale of un-requisitioned power for better utilization of generating capacity etc.

4. Renewable Energy Act: A draft Renewable Energy Act has been prepared by MNRE. The draft Act proposes institutional structure, supportive eco-system, economic and financial framework, constitution and operation of national and state level funds to promote the production of energy from renewable energy sources in order to reduce dependence on fossil fuels. MNRE is presently seeking comments of stakeholders on the draft Act.

Opportunities ahead – moving the Indian power juggernaut

Gol is planning to auction five new UMPPs in the plug and play mode, with coal linkages and clearances in place, to ensure faster execution. Gol's move to introduce competition in the distribution segment (as proposed in the amendments to Electricity Act 2003), could offer new business opportunities and investment in building stronger networks and infrastructure. Other exciting opportunities in the pipeline lie in the distribution segment due to launching of DDUGJY for agriculture feeder separation and IPDS for improving urban power infrastructure. The renewable push and other encouraging developments of the sector are the building blocks for reinforcing the investment sentiments in the power sector which accounts for the highest share of investment in infrastructure space in India.

OUTLOOK AND OPPORTUNITIES FOR THE COMPANY

Strategic focus of the Company

Your Company will continue to be an integrated power player across the value chain which gives it a competitive edge in the market. However, the focus areas will be to scale up generating capacity through a mix of conventional and non-conventional fuel sources, developing own coal mines and providing other value adding services like power trading , consultancy etc.

The key is not to add capacity alone, but to see that the capacity which has been added is financially viable and also does not become stranded. Our Board of Directors give investment approval only after having in place 5 basic requirements viz. land, water, environment clearance, fuel supply arrangements and power purchase agreement(s) (PPAs) in place.

In-organic growth opportunities

Your Company is also evaluating acquisition of power plants at attractive valuations for adding capacity after analysing the technical and financial viability of the project(s). Considering a lot of capacity of private/state developers is stranded there is a good scope of consolidation in the sector.

Fuel Security

There is a lot of Gol focus on improving coal supplies over the next five years; accordingly the Company expects to receive better coal supplies under its long term coal supply agreements. Coupled with its captive coal mines, your Company strives to ensure long term fuel security.

Some of our coal blocks got cancelled as a consequence of Supreme Court's decision; however we have been reallocated 8 captive coal mines (considering Chhatti Bariatu-South has been merged with Chhatti Bariatu) with estimated geological reserves of ~5 billion tonnes.

Your Company led the coal rationalisation initiative of Gol by entering into a coal swapping arrangement for Sipat Super Thermal Power Project with Gujarat State Electricity Corporation Limited to reduce transport costs and avoid criss-cross movement of coal to decongest the railway network.

Renewable Energy

While coal will remain the mainstay of the Company's power portfolio, however given the importance of renewable energy globally and for India, it will see enhanced focus in the coming years to achieve sustainable generation mix. Your Company has commissioned Koldam (4x200 MW), its first hydro project and is also committed to add 10 GW of own renewable power capacity, select solar power developers for 15 GW under Jawaharlal Nehru National Solar Mission in next 5 years and be involved in sale and purchase of solar power. Your Company takes cognisance of the challenges of adding renewable energy capacity in India and will add capacity progressively.

Off-take and realisation

Although looking at the energy and peak deficit numbers one tends to question the future demand, however your Company believes that the ground reality will be different once the structural reforms in the distribution segment of the sector shows results in the financial health

of the discoms and the economic growth of the country accelerates. Almost, the entire output of the Company's power stations has been contracted under long term PPAs. Further, your Company produces power at a very competitive cost, the average tariff for financial year 2014-15 was ₹3.28/kWh. Low cost of power mitigates off-take risks. Your Company for the 12th consecutive year realised 100% of its dues and is confident of maintaining its track record in future also.

Leveraging on strengths for delivering better future performance

Your Company derives competitive edge from its strengths and is confident of meeting future challenges in the sector.

a. Project Management

Your Company has adopted an integrated system for the planning, scheduling, monitoring and controlling of approved projects under implementation. To coordinate and synchronise all the support functions of project management it relies on a three-tiered project management system known as the Integrated Project Management Control System which integrates its engineering management, contract management and construction management control centres.

Your company has successfully effected standardization, bulk ordering of 660 MW and 800 MW units and Engineering Procurement and Construction (EPC) contracting to reduce engineering time and thereby reduce project execution time.

b. Operational efficiency

The operating performance of your Company has been considerably above the national average. During the financial year 2014-15, PLF of coal stations was 80.23% against all India PLF of 64.46%. Over the years, your Company has consistently operated at much higher operating efficiency as compared to All India operating performance.

In order to sustain the impressive operational efficiency levels, your Company's strategy includes:

- With the aim of improving system wide reliability, reducing maintenance costs and outages, Special Analytics and Computational Services Centre has been established. It provides early warning of slowly evolving equipment problems to the remotely located plant personnel.
- Use of tools for data acquisition and analysis for on-site efficiency evaluation and math-modeling tools like Performance Evaluation of Power System Efficiencies for verifying equipment and system efficiencies, Steam path audit for estimation of solid particle erosion and efficiency of steam turbine components etc.
- Enhancing quality of plant overhauls to target zero forced outage by design.
- Implementation of Overhauling Performance Index for systematic and advanced planning of overhauls.
- Creation of peer group knowledge teams for each equipment to harmonize the best practices at enterprise level.
- Use of a comprehensive Performance Evaluation Matrix for relative evaluation of the performance of various power plants over a set of comprehensive performance indicators to create an environment of in-house challenge and competition.
- Use of Process Interface (PI) System and PI System based applications for real time efficiency and loss calculations for ensuring early actions to minimize station losses.
- A structured Auxiliary Power Consumption (APC) reduction programme has been formulated to optimise APC during start up and low load operation.

c. Human Resources

Your Company has been conferred with various HR awards over the years by reputed institutions. Your Company has a highly talented team of committed professionals and has been able to induct, develop and retain the best talent. The commitment of the employees is also reflected in terms of financial parameters such as sales/employee, PAT/per employee, value added/per employee etc. We have a pool of ~24,000 employees creating value for the

Company. NTPC has a very low executive attrition rate.

d. Sound Corporate Governance

Your Company's corporate governance practices has been recognised and awarded at several forums. It enjoys the confidence of investors and all other stakeholders alike. Your Company not only believes in adopting best practices but also includes public interest in its corporate priorities and has developed extensive social outreach programmes.

e. Robust financials and systems

Your Company has strong financial systems in place. It believes in prudent management of its financial resources and strives to reduce the cost of capital. It has robust financials leading to strong cash flows which are being progressively deployed in generating assets. Your Company has a strong balance sheet coupled with low gearing and healthy coverage ratios. As a result, your Company has been able to raise resources for its capital expansion projects at very competitive interest rates.

RISK, CONCERNS AND THEIR MANAGEMENT

Your company has an elaborate Enterprise Risk Management framework in place. A functional director level committee called Risk Management Committee (RMC) has been constituted in compliance with the Companies Act, 2013 and Clause-49 of the listing agreement. The RMC is responsible to identify and review the risks and to formulate action plans and strategies to mitigate risks on short term as well as long term basis.

The RMC has identified 26 key risks and out of which following 8 have been classified as the top risks for the company:

- Inadequate fuel supply
- Difficulties in acquisition of land
- Delay in execution of projects
- Risks related to coal mining
- Risks pertaining to Hydro projects
- Compliance of emission, ash utilization and regulatory norms
- Sustaining efficient plant operations
- Risks of not getting schedule

These areas are regularly monitored through reporting of key performance indicators of the identified risks. Exceptions with respect to risk assessment criteria are reported regularly to the Board of Directors. During the financial year 2014-15, Committee Meetings have been held for all the quarters to deliberate on strategies.

Internal Control

To ensure regulatory and statutory compliance as well to provide highest level of corporate governance, your Company has robust internal systems and processes in place for smooth and efficient conduct of business and complies with relevant laws and regulations. A comprehensive delegation of power exists for smooth decision making which is being further reviewed to align it with changing business environment and for speedier decision making. Elaborate guidelines for preparation of accounts are followed consistently for uniform compliance. In order to ensure that all checks and balances are in place and all internal control systems are in order, regular and exhaustive internal audits are conducted by the experienced firms of Chartered Accountants in close co-ordination with the Company's own Internal Audit Department. Besides, the Company has two committees of the Board viz. Audit Committee and Committee on Management Controls to keep a close watch on compliance with Internal Control Systems.

A well defined internal control framework has been developed identifying key controls. The supervision of operational efficiency of designed key controls is done by Internal Audit. The framework provides elaborate system of checks and balances based on self assessment as well as audit of controls conducted by Internal Audit at the process level. Gap Tracking report for operating efficiency of controls is reviewed by the management regularly and action is

taken to further strengthen the Internal Control System by further standardizing systems & procedures and implement process changes, wherever required, keeping in view the dynamic environment in which your Company is operating. The Internal Control Framework system presents a written assessment of effectiveness of Company's internal control over financial reporting by the process owners to facilitate certification by CEO and CFO and enhances reliability of assertion.

FINANCIAL DISCUSSION AND ANALYSIS

A detailed financial discussion and analysis on Financial Statements is furnished below. Figures of previous year have been regrouped/ rearranged wherever necessary. Reference to Note(s) in the following paragraphs refers to the Notes to the Financial Statements for the financial year 2014-15 placed elsewhere in this report:

A. Results from Operations

1 Total Revenue (Note 22 & 23)

		FY 2014-15	FY 2013-14	Change
	Units of electricity sold (MUs)	225,003	217,434	3%
	Revenue	Amount in ₹ Crore		
1	Energy sales (including electricity duty)	73,197.61	72,115.06	2%
2	Consultancy & other services	109.78	112.66	-3%
3	Energy internally consumed	86.21	83.39	3%
4	Interest from beneficiaries	332.82	131.48	153%
5	Revenue recognized from deferred foreign currency fluctuation liability	3.12	1.56	100%
6	Provisions written back	186.15	199.87	-7%
	Revenue from operations (gross)	73,915.69	72,644.02	2%
7	Less:- Electricity duty	669.64	625.09	7%
	Revenue from operations (net)	73,246.05	72,018.93	2%
8	Other income	2,116.32	2,645.68	-20%
	Total revenue	75,362.37	74,664.61	1%

The revenue of the Company comprises income from energy sales (net of electricity duty), consultancy and other services, interest earned on investments such as term deposits with banks, bonds (issued under One Time Settlement Scheme) and dividend income from subsidiary & joint venture companies and mutual funds. The total revenue for financial year 2014-15 is ₹ 75,362.37 crore as against ₹ 74,664.61 crore in the previous year registering an increase of 1%.

The major revenue comes from energy sales. The tariff for computing energy sales is determined in terms of Central Electricity Regulatory Commission Regulations as notified from time to time which are briefly discussed below:

Tariff for computation of Sale of Energy

The Central Electricity Regulatory Commission (CERC) notified the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (Regulations, 2014) on 21st February, 2014 for the period 2014-19. Pending issue of final/provisional tariff orders under Regulations, 2014 by the CERC, sales have been provisionally recognized on the basis of principles enunciated in Regulations, 2014. As per the Regulations, 2014, the tariff for supply of electricity comprises of two parts i.e. Capacity Charges for recovery of Annual Fixed Cost based on plant availability and Energy Charges for recovery of fuel cost. In addition, Regulations

also provide for the recovery of certain miscellaneous charges. The CERC sets tariff for each stage of a station in accordance with the notified tariff regulations/norms.

Capacity Charges

The capacity charges are allowed to be recovered in full if plant availability is at least 83%. If the availability of the plant is lower than 83%, the capacity charges are recovered on a pro-rata basis based on normative parameters as specified in the said Regulations.

Further, under the Regulations, 2014, the provision for the recovery of capacity charges in full at the plant availability of 83% is subject to the review which shall be made after 3 years from 01.04.2014.

Energy Charges

Energy charges for the electricity sold are determined on the basis of landed cost of fuel applied on the quantity of fuel consumption derived on the basis of norms for heat rate, auxiliary power consumption, specific oil consumption etc.

Other Charges

Besides the capacity and energy charges, the other elements of tariff are:

- Deferred tax liability for the period upto 31.03.2009 on generation income is allowed to be recovered from the customers on materialization.
- Cost of hedging in respect of interest and repayment of foreign currency loans and exchange rate fluctuations for the un-hedged portion of interest and repayment of foreign currency loans on a normative basis.

In addition, the Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) Regulations, 2014, provides for charges for the deviations in generation with respect to schedule, payable (or receivable) at rates linked to average frequency to bring grid discipline and security.

Each element of total revenue is discussed below:

Energy sales (including electricity duty)

Your Company sells electricity to bulk customers mainly, electricity utilities owned by State Governments as well as private discoms operating in States. Sale of electricity is made pursuant to long-term Power Purchase Agreements (PPAs) entered into with beneficiaries.

Income from energy sales (including electricity duty) for the financial year 2014-15 was ₹ 73,197.61 crore which constituted 97% of the total revenue. The income from energy sales (including electricity duty) has increased by 2% over the previous year's income of ₹ 72,115.06 crore.

During the year, there is an increase in the commercial capacity by 695 MW as detailed under:-

Project/Unit	Capacity (MW)	Commercial Operation Date
Rajgarh Solar PV	20	30.04.2014
Barh-II Unit #1	660	15.11.2014
Singrauli Solar	15	31.12.2014
Total	695	

Further, the commercial capacity of 1565 MW comprising Unit#2 of 500 MW of Vindhyachal-IV, Unit#2 of 500 MW of Rihand-III, Unit#2 of 500 MW of Mouda-I, 5 MW of Solar PV capacity at Faridabad, 10 MW of Solar PV capacity each at Ramagundam, Talcher and Unchahar and 30 MW of Solar PV capacity at Rajgarh which were declared under commercial operation during the financial year 2013-14, were available for the entire financial year 2014-15 as compared to part of financial year 2013-14.

For the financial year 2014-15, pending issue of provisional/final tariff orders w.e.f. 01.04.2014 for all the stations, billing to the beneficiaries was done according to the tariff approved and applicable as on 31.03.2014, as provided in the Regulations, 2014 (Note 22 (a)). The amount provisionally billed for the year ended March 31, 2015 on this basis is ₹ 73,703.99 crore.

Your 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 recognized on the basis of principles enunciated in Regulations, 2014. The sales provisionally recognized for the year ended March 31, 2015 on this basis is ₹ 73,133.81 crore (Note 22(b)).

Sales include ₹ 679.62 crore pertaining to previous years recognized based on the orders issued by the CERC/Appellate Tribunal for Electricity (Note 22 (c)).

Sales also include (-) ₹ 1,399.42 crore on account of income-tax payable to the beneficiaries as per Regulations, 2004 (Note 22 (d)).

As per Regulations, 2014, the deferred tax liability for the period before 01.04.2009 shall be recovered from the beneficiaries whenever it materializes. Accordingly, sales also include ₹ 113.96 crore on account of deferred tax materialized which is recoverable from beneficiaries (Note 22 (d)).

Sales also include electricity duty on energy sales amounting to ₹ 669.64 crore. The same has been reduced from sales in the statement of profit and loss.

The average tariff for the financial year 2014-15 is ₹ 3.28/kWh as against ₹ 3.30/kWh in the previous year. The average tariff includes adjustments pertaining to previous years. If the impact of such adjustments were to be excluded, the average tariff would be ₹ 3.25/kWh in financial year 2014-15 as against ₹ 3.20/kWh in the previous year.

There has been 100% realization of the dues within the stipulated time frame for the twelfth year in succession. All the beneficiaries have opened and are maintaining Letter of Credit equal to or more than 105% of average monthly billing as per One-Time Settlement Scheme (OTSS). In order to ensure prompt and early payment of bills for supply of energy to beneficiaries, your Company has formulated a rebate scheme by way of providing graded incentive for early payment based on the bills raised on state utilities who are the members of NTPC's rebate scheme.

Under OTSS, tri-partite agreements are valid up to October 31, 2016. For the period beyond October 2016, the supplies to state utilities shall be covered by an escrow arrangement. The supplementary agreements signed with state utilities have a provision of keeping a first charge on their revenue streams for supplies made by your Company. Under the supplementary agreements, the state utilities have agreed to provide payment security through execution of the hypothecation agreement and the default escrow agreement. Further, this will be over and above the LC requirement of 105% of average monthly billing. Moreover, your Company can resort to regulation/diversion of power supply to third party at the risk and cost of defaulting utilities in case of non-payment of dues.

Consultancy and other services

Accredited with an ISO 9001:2008 certification, the Consultancy Division of your Company undertakes consultancy and turnkey project contracts for domestic and international clients in the different phases of power plants viz. engineering, project management, construction management, operation & maintenance of power plants, Research & Development, Management Consultancy etc.

During the financial year 2014-15, Consultancy Division posted an income of ₹ 100.78 crore as against ₹ 105.28 crore achieved in the last financial year. In the financial year 2014-15, it has recorded a profit after tax of ₹ 20.39 crore as against ₹ 19.23 crore in the last financial year. A total of 25 orders valued at ₹ 65.95 crore were secured by the division during the year.

Energy Internally Consumed

Energy internally consumed relates to own consumption of power for construction works at stations, township power consumption, etc. It is valued at variable cost of generation and is shown in 'Revenue from Operations' with a debit to corresponding expense head under power charges. There is an increase of 3% in the value of energy internally consumed during the year over the previous year mainly due to increase in fuel cost.

Interest from beneficiaries

CERC Regulations provide that where after the truing-up, the tariff recovered is less than the tariff approved by the CERC, the Company shall recover from the beneficiaries the under recovered amount along-with simple interest. Accordingly, the interest recoverable from the beneficiaries amounting to ₹ 332.82 crore has been recognised as Interest from beneficiaries.

Provisions written back

During the financial year 2014-15, the Company has written back provisions made in earlier years amounting to ₹ 186.15 crore in comparison to ₹ 199.87 crore in the financial year 2013-14. Provision written back includes a write back of ₹ 180.16 crore on account of tariff adjustments during the financial year 2014-15 as against ₹ 162.56 crore in the financial year 2013-14.

Other Income (Note 23)

'Other income' mainly comprises interest income from bonds issued under One Time Settlement Scheme (OTSS), income from term deposits with banks, dividend from investments in mutual funds and equity investment in subsidiary & joint venture companies and miscellaneous income.

'Other income' in financial year 2014-15 was ₹ 2,116.32 crore as compared to ₹ 2,645.68 crore in the financial year 2013-14. Broadly, the break-up of other income is as under:

	₹ Crore	
	FY 2014-15	FY 2013-14
Interest on OTSS bonds /Loan to State Government	263.35	409.39
Income from investment in bank term deposits, mutual funds, gain on sale of current investment	1,421.23	1,667.65
Dividend from JVs and Subsidiary Companies/Interest from Subsidiary Company	117.65	73.67
Income earned on other heads such as hire charges, profit on disposal of assets, etc.	515.99	600.92
Total	2,318.22	2,751.63
Less: Transfer to EDC/development of coal mines	88.84	54.62
Less: Transfer to Deferred Foreign Currency Fluctuation Asset/Liability	113.06	51.33
Net other income	2,116.32	2,645.68

Interest income from OTSS bonds (including loan to State Government) for financial year 2014-15 is ₹ 263.35 crore as compared to ₹ 409.39 crore in financial year 2013-14. The reduction in interest income to the extent of ₹ 146.04 crore is due to redemption of OTSS bonds amounting to ₹ 1,636.96 crore and repayment of loan in lieu of settlement of dues to State Government amounting to ₹ 95.73 crore. The Company has earned income of ₹ 1,421.23 crore during the financial year 2014-15 on account of term deposits made in banks and investments in mutual funds as against ₹ 1,667.65 crore earned last year. The income from investment in bank term deposits and mutual funds has registered a decline of 15% from last financial year attributed to decrease in earnings on account of lower interest rates as well as decrease in average annual investment from ₹ 18,213 crore in financial year 2013-14 to ₹ 16,653 crore in financial year 2014-15. We have earned ₹ 90.61 crore as dividend from our investments in joint venture companies and ₹ 26.00 crore as dividend from investments made in subsidiary companies. Further, ₹ 1.04 crore has been earned as interest from loan of ₹ 3.43 crore (as at March 31, 2015) extended to Kanti Bijlee Utpadan Nigam Limited, one of our subsidiary companies. Also, an amount of ₹ 515.99 crore has been earned from various other sources mainly consisting of net gain in foreign currency transactions & translations of ₹ 128.38 crore, sale of scrap ₹ 80.18 crore, surcharge received from beneficiaries ₹ 49.97 crore, interest from contractors ₹ 49.67 crore, interest on loans to employees ₹ 31.13 crore and miscellaneous income of ₹ 134.10 crore, etc.

2 Expenses (Note 24, 25 & 26)

2.1 Expenses related to operations

Commercial generation (MUs)	FY 2014-15		FY 2013-14	
	240,847		232,996	
Expenses	₹ Crore	₹ per kWh	₹ Crore	₹ per kWh
Fuel	48,845.19	2.03	45,829.71	1.97
Employee benefits expense	3,669.78	0.15	3,824.78	0.16
Generation, administration and other expense	4,979.31	0.21	4,543.85	0.20
Total	57,494.28	2.39	54,198.34	2.33

The expenditure incurred on fuel, employee benefits expense and generation, administration and other expenses for the financial year 2014-15 was ₹ 57,494.28 crore as against the expenditure of ₹ 54,198.34 crore incurred during the previous year. In terms of expenses per unit of power produced, it was ₹ 2.39 per unit in financial year 2014-15 as against ₹ 2.33 per unit in financial year 2013-14. Component-wise, there has been an increase in the fuel cost and generation, administration and other expenses. However, employee benefits expense has marginally decreased. The increase in commercial generation due to commercial operation of new units i.e. units declared under commercial operations during the year as well as units declared under commercial operation during financial year 2013-14 which were under operation for part of the previous year as against under operation for full year during the current year has resulted in an additional operational expenditure of ₹ 2,623.45 crore.

A discussion on each of these components is given below:

2.1.1 Fuel

Expenditure on fuel constituted 85% of the total expenditure relating to operations. Expenditure on fuel was ₹ 48,845.19 crore in financial year 2014-15 in comparison to ₹ 45,829.71 crore in financial year 2013-14 representing an increase of about 7%. The break-up of fuel cost in percentage terms is as under:

	FY 2014-15	FY 2013-14
Fuel cost (₹ Crore)	48,845.19	45,829.71
	% break-up	
Coal	89%	89%
Gas	8%	8%
Oil	1%	1%
Naphtha	2%	2%

For the financial year 2014-15, the expenditure towards coal has increased, which is partly due to higher coal consumption on account of increase in coal based generation and partly due to higher average price of coal during the financial year 2014-15 as compared to previous year. A part of the increase in expenditure is also attributable to higher blending ratio of costlier imported coal. The expenditure towards gas has also increased, although there is a decrease in the gas consumption on account of decrease in generation from the gas based units, however due to the higher average price of gas during the financial year 2014-15 as compared to previous year there is an increase in the total gas cost.

The average price of other component of fuel cost i.e. oil and naphtha have also shown marginal change in terms of average price. The average price of oil has decreased while the average price of naphtha has increased during the financial year 2014-15 as compared to the average prices of oil and naphtha in the previous year.

An increase of ₹ 2,312.29 crore in fuel cost is attributable to new commercial capacity added during the year as well as on commercial capacity added during previous year which was operational for part of the previous year as compared to full year operations during the current year.

Over all, fuel cost per unit generated increased to ₹ 2.03 in financial year 2014-15 from ₹ 1.97 in financial year 2013-14.

The power plants of the Company use coal and natural gas as the

primary fuels. Oil is used as a secondary fuel for coal-fired plants and naphtha as an alternate fuel in gas-fired plants. Under the tariff norms set by the CERC, your Company is allowed to pass on fuel charges through the tariff, provided the Company meets certain operating parameters.

The detail of fuel supply position is discussed elsewhere in the Director's Report.

2.1.2 Employees benefits expense (Note 24)

Employees' remuneration and benefits expenses include salaries & wages, bonuses, allowances, benefits, contribution to provident & other funds and welfare expenses.

Employee benefits expense have decreased by 4% from ₹ 3,824.78 crore in financial year 2013-14 to ₹ 3,669.78 crore in financial year 2014-15. The decrease in the Employees benefits expense is reflected due to higher expenses in the financial year 2013-14 on account of additional contribution made towards the implementation of defined contribution pension scheme in that year.

Of the total increase in employees benefits expense, an increase of ₹ 65.94 crore is attributable to new commercial capacity added during the year as well as on commercial capacity added during previous year which was operational for part of the previous year as compared to full year operations during the current year.

In terms of expenses per unit of generation, it is ₹ 0.15 in financial year 2014-15 as compared to ₹ 0.16 in previous financial year. These expenses account for approximately 6% of operational expenditure in financial year 2014-15.

2.1.3 Generation, Administration and Other Expenses (Note 26)

Generation, administration and other expenses consist primarily of repair and maintenance of buildings, plant and machinery, power and water charges, security, insurance, training and recruitment expenses and expenses towards travel, communication and provisions. These expenses are approximately 9% of operational expenditure in financial year 2014-15. In absolute terms, these expenses increased to ₹ 4,979.31 crore in financial year 2014-15 from ₹ 4,543.85 crore in financial year 2013-14 registering an increase of 10%. In terms of expenses per unit of generation, it is ₹ 0.21 in financial year 2014-15 as compared to ₹ 0.20 in previous financial year. An increase of ₹ 245.22 crore is on account of new commercial capacity added during the year as well as on commercial capacity added during previous year which was operational for part of the previous year as compared to full year operations during the current year.

Repair & maintenance expenses constitute 40% of total generation, administration and other expenses and have increased to ₹ 1,991.26 crore from ₹ 1,852.33 crore in previous year, resulting in an increase of 8%. During the financial year 2014-15, the Company had made provisions amounting to ₹ 224.78 crore. This includes a provision of ₹ 148.10 crore towards tariff adjustments, ₹ 41.95 crore towards unserviceable capital work-in-progress, ₹ 13.97 crore towards obsolescence in stores, ₹ 5.00 crore towards unfinished minimum work programme for oil and gas exploration and ₹ 4.63 crore towards permanent diminution in the value of investment by the Company in two of its joint venture company i.e. BF-NTPC Energy Systems Ltd. ₹ 3.35 crore and Pan-Asian Renewables Pvt. Ltd. ₹ 1.28 crore.

2.2 Finance Costs (Note 25)

The finance costs for the financial year 2014-15 were ₹ 2,743.62 crore in comparison to ₹ 2,406.59 crore in financial year 2013-14. The details of interest and other borrowing costs are tabulated below:

	₹ Crore	
	FY 2014-15	FY 2013-14
Interest on:		
Borrowings	5,605.25	4,793.69
Others	3.32	26.23
Total interest	5,608.57	4,819.92
Other borrowing costs	104.16	153.56
Total	5,712.73	4,973.48
Less: Transfers to		
Expenditure during construction period	2,881.28	2,488.85
Development of coal mines	87.83	78.04
Net interest and Other borrowing costs	2,743.62	2,406.59

Interest on borrowings (including interest during construction) has increased by 17% over last financial year due to increase in long term borrowings (net of repayment) during the year by ₹ 18,825.12 crore mainly on account of issue of bonus debentures amounting to ₹ 10,306.83 crore. In addition, the average cost of borrowing has increased to 8.07% in financial year 2014-15 from 7.81% in previous financial year. The increase in the average cost of borrowing is on account of higher rate of interest on new Rupee borrowings.

For the financial year 2014-15, an amount of ₹ 2,881.28 crore relating to finance costs of projects under construction was capitalized while the corresponding amount for the previous year was ₹ 2,488.85 crore. Thus, finance costs capitalized registered an increase of 16%. In addition, ₹ 87.83 crore has been capitalized in respect of development of coal mines as against ₹ 78.04 crore in previous year.

2.3 Depreciation and amortization expense (Note 12)

The depreciation and amortization expense charged to the statement of profit and loss during the financial year 2014-15 was ₹ 4,911.65 crore as compared to ₹ 4,142.19 crore in financial year 2013-14, registering an increase of 19%. This is due to increase in the gross block by ₹ 11,485.53 crore i.e. from ₹ 1,16,992.06 crore in the previous financial year to ₹ 1,28,477.59 crore in the current financial year. The increase in gross block is largely on account of increase in commercial capacity by 695 MW resulting in additional capitalization on account of commercial declaration of new units as discussed under "Energy Sales". The depreciation on new units capitalized during the year is on pro-rata basis.

Further, depreciation for units declared commercial during financial year 2013-14 aggregating to 1565 MW as already discussed under "Energy Sales" has been charged for the entire financial year 2014-15 as against a pro-rata charge during the financial year 2013-14. The impact on depreciation on this account for the financial year 2014-15 is ₹ 560.27 crore.

As per the accounting policy of the Company, 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 and 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 II of the Companies Act, 2013.

In case of certain assets, the Company has continued to charge higher depreciation based on technical assessment of useful life of those assets.

2.4 Prior Period Items (net)

Certain elements of income and expenditure have been charged to the profit and loss account relating to previous years. For the financial year 2014-15 a net amount of ₹ 333.83 crore was booked as prior period income whereas in the financial year 2013-14 a net amount of ₹ 12.84 crore was accounted as prior period expense. The increase is mainly on account of advance against depreciation of ₹ 208.32 crore and interest on land compensation cases amounting to ₹ 132.86 crore (Note 27 (a)&(b))

3 Profit Before Tax & Exceptional items

The profit of the Company before tax and exceptional items is tabulated below:

₹ Crore

	FY 2014-15	FY 2013-14
Total revenue	75,362.37	74,664.61
Less:		
Expenditure related to operations	57,494.28	54,198.34
Finance cost	2,743.62	2,406.59
Depreciation and amortization expenses	4,911.65	4,142.19
Prior period items (net)	(333.83)	12.84
Profit Before Tax & Exceptional Items	10,546.65	13,904.65

4 Tax Expense

The Company provides for current tax in accordance with provisions of Income Tax Act, 1961 and for deferred tax considering the accounting policy of the Company.

Provision for Current tax

A provision of ₹ 326.44 crore has been made towards current tax for the financial year 2014-15 as against the provision of ₹ 2,793.60 crore made in financial year 2013-14. The decrease in current tax by ₹ 2,467.16 crore is due to an adjustment towards provision for taxation on account of favorable orders by CIT (Appeals) for earlier years and on account of decrease in profit.

Provision for Deferred tax

The deferred tax liability related to the period upto March 31, 2009 is recoverable from customers as and when the same materializes. However, the deferred tax liability/asset for the period after 01.04.2009 to 31.03.2014 is to the account of the Company.

For the period commencing from 01.04.2014, CERC 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. Accordingly, the same has been accounted as "Deferred asset for deferred tax liability".

The deferred tax liability arisen during the year on account of timing difference is ₹ 888.75 crore as against the provision of ₹ 136.31 crore made in financial year 2013-14.

Details of tax provision

	FY 2013-14 (₹ Crore)		
	Current tax	Deferred tax	Total
Provision for FY 2013-14	3,230.56	136.31	3,366.87
Adjust. for earlier years	(436.96)	-	(436.96)
Net prov. as per statement of P&L	2,793.60	136.31	2,929.91

	FY 2014-15 (₹ Crore)		
	Current tax	Deferred tax	Total
Provision for FY 2014-15	2,278.97	888.75	3,167.72
Adjust. for earlier years	(1,952.53)	-	(1,952.53)
Adjust. for Deferred asset for deferred tax liability	-	(959.40)	(959.40)
Net prov. as per statement of P&L	326.44	(70.65)	255.79

Net provision of tax for the financial year 2014-15 is ₹ 255.79 crore in comparison to ₹ 2,929.91 crore in the financial year 2013-14, a decrease of ₹ 2,674.12 crore.

5 Profit After Tax

The profit of the Company after tax is tabulated below:

₹ Crore

	FY 2014-15	FY 2013-14
Profit Before Tax & Exceptional items	10,546.65	13,904.65
Less:- Tax expense	255.79	2,929.91
Profit After Tax	10,290.86	10,974.74

The profit after tax has declined by 6%.

6 Segment-wise Performance

For the purpose of compiling segment-wise results, the business of the Company is segregated into 'Generation' and 'Other Business'. The Company's principal business is generation and sale of bulk power. Other business includes providing consultancy, project management and supervision, oil and gas exploration and coal mining.

The profit before Unallocated corporate interest and other income/ Unallocated corporate expenses, interest and finance charges, in the generation business for the financial year 2014-15 was ₹ 12,554.39 crore as against ₹ 14,974.80 crore for financial year 2013-14. The loss before Unallocated corporate interest and other income/ Unallocated corporate expenses, interest and finance charges from 'Other Business' comprising of consultancy, coal mining and oil exploration was ₹ 4.45 crore for financial year 2014-15 as against a profit of ₹ 16.23 crore in the previous financial year. (Note 41)

B. Financial Position

The items of the Balance Sheet are as discussed under:

1 Net Worth

The net worth of the Company at the end of financial year 2014-15 decreased to ₹ 81,657.35 crore from ₹ 85,815.32 crore in the previous year, a decrease of 5%. Similarly, Book Value Per Share (BVPS) also decreased from ₹ 104.08 to ₹ 99.03. Major reason for the same are tabulated below:

	Net Worth (₹ crore)	BVPS (₹)
Opening Balance as on 01.04.2014	85,815.32	104.08
Add: Profit/ EPS for the year	10,290.86	12.48
Less: Dividend & dividend tax*	2,478.78	3.00
Less: Bonus debentures & dividend tax thereon	12,367.59	15.00
Add: Creation of fly ash utilisation reserve fund	401.14	0.48
Less: Other direct adjustments to Reserves	3.60	0.00
Balance as on 31.03.2015	81,657.35	99.03

*includes proposed dividend & tax thereon

During the financial year 2014-15, the Company carried out the first of its kind capital restructuring by any PSU by capitalizing its free reserves and issuing bonus debentures out of it as a reward to shareholders under a scheme of arrangement approved by the shareholders and Ministry of Corporate Affairs (MCA). The Company issued one non-convertible, secured redeemable debenture of face value ₹ 12.50 for every one equity share of ₹ 10.00 to its members aggregating to ₹ 10,306.83 crore. Consequently, an amount of ₹ 10,306.83 crore was debited to the General Reserve and equivalent amount was credited to the bond capital. As per the Income Tax Act, 1961 bonus debentures are deemed dividend under section 2(22)(b), accordingly dividend distribution tax has also been paid out of General Reserves amounting to ₹ 2,060.76 crore at the rate of 19.9941%.

The issuance of bonus debentures has resulted in optimal utilization of capital and has a positive impact on reported Return on Equity (RoE) of the Company. The debt-equity ratio of the Company has increased to 1.05 from 0.78 as at previous year end. After issue of bonus debentures, the Company is comfortably leveraged and this issuance has not impacted its debt raising abilities.

With the issuance of bonus debentures, the Company has rewarded the shareholders by ₹ 12.50 per share in addition to ₹ 2.50 per share distributed/to be distributed as cash dividend during the year.

2 Deferred Revenue

Deferred revenue (Note 4) consists of two items detailed as under:

₹ Crore

Deferred revenue on account of	As at March 31	
	2015	2014
Advance Against Depreciation (AAD)	409.20	692.55
Income from foreign currency fluctuation	984.95	917.33
Total	1,394.15	1,609.88

Advance Against Depreciation (AAD) was an element of tariff provided under the CERC Tariff Regulations for the period 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. The balance AAD as at 31.03.2014 was reviewed considering the accounting 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. Further, 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 as per the related accounting policy.

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 per accounting policy. 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.

3 Non-Current and Current Liabilities

Details of non-current and current liabilities are discussed below:

a. Borrowings:

Total borrowings as at 31.03.2015 were ₹ 85,995.34 crore in comparison to ₹ 67,170.22 crore as at 31.03.2014. Current maturities out of long term borrowings have been shown under current liabilities. Details of the total borrowings are as under:

₹ Crore

	As at March 31	
	2015	2014
Long term borrowings in non-current liabilities (Note 5)	78,532.33	62,405.75
Current maturities of long term borrowings included in other current liabilities (Note 10)	7,463.01	4,764.47
Total borrowings	85,995.34	67,170.22

A summary of the borrowings outstanding is given below:

₹ Crore

	Non-current liabilities		Other current liabilities		Total borrowings		% Change
	2015	2014	2015	2014	2015	2014	
Secured							
Domestic Bonds	23,017.83**	12,311.00*	600.00	593.00	23,617.83**	12,904.00*	83%
Foreign currency term loans/ Notes	-	-	-	-	-	-	-
Others	-	-	-	0.05	-	0.05	-100%
Sub-total	23,017.83	12,311.00	600.00	593.05	23,617.83	12,904.05	83%
Unsecured							
Foreign currency term loans/ Notes	22,691.87	18,653.01	2,738.15	824.91	25,430.02	19,477.92	31%
Rupee term loans	32,754.50	31,379.36	4,124.86	3,346.08	36,879.36	34,725.44	6%
Others	68.13	62.38	-	0.43	68.13	62.81	8%
Sub-total	55,514.50	50,094.75	6,863.01	4,171.42	62,377.51	54,666.17	15%
Total	78,532.33	62,405.75	7,463.01	4,764.47	85,995.34	67,170.22	28%

*includes ₹ 1,250.00 crore for which security was created during 2014-15

** including bonus debentures

As on 31.03.2015, the foreign currency loan basket comprises of loans denominated in US Dollar, Japanese Yen and Euro which contributed about 84%, 10% and 6% respectively in the total foreign currency loans.

Over the last financial year, total borrowings have increased by 28%. Debt amounting to ₹ 23,360.37 crore (including bonus debentures of ₹ 10,306.83 crore) was raised during the year 2014-15. The amount raised through term loans, bonds and foreign currency borrowings is used for capital expenditure and refinancing.

Details in respect of proceeds and repayment of borrowings for the year 2014-15 are as under:

₹ Crore

Source	Debt raised	Repayment	Net
Term loan	5,500.00	3,346.08	2,153.92
Domestic bonds	11,306.83*	593.00	10,713.83*
Foreign currency debts	6,547.70	811.50	5,736.20
Others (finance lease/ public deposits)	5.84	0.57	5.27
Total	23,360.37	4,751.15	18,609.22
FERV on foreign currency borrowings			215.90
Total			18,825.12

*includes bonus debentures of ₹ 10,306.83 crore

Term loans: Banks and Domestic financial institutions continued to support the capex program of the Company by extending term loans for financing the on-going capacity expansion plans. During the financial year 2014-15, fresh agreements for term loans aggregating ₹ 19,400.00 crore were entered into including the loan agreement of ₹ 10,000.00 crore with State Bank of India. The cumulative amount of domestic loans tied up till 31.03.2015 is ₹ 78,114.35 crore (excluding undrawn loans short-closed as per agreements). During financial year 2014-15, an amount of Rs. 5,500 crore was drawn from domestic banks and financial institutions. The cumulative drawal up to 31.03.2015 was ₹ 57,004.35 crore.

Domestic bonds: During the year, Series 53 bonds amounting to ₹ 1,000 crore were issued at a coupon of 9.17% payable annually with bullet maturity after 10 years. The bonds were issued on private placement basis.

As discussed earlier, Bonus Debentures (Series 54) have been issued on March 25, 2015. These debentures carry a fixed coupon of 8.49% p.a. and will be redeemed in three instalments of ₹ 2.50, ₹ 5.00 and ₹ 5.00 per debenture at the end of 8th, 9th and 10th year respectively, thus deferring immediate cash outflows.

The proceeds of the bonus debenture issue to the extent of ₹ 5,650.00 crore have been utilised for capital expenditure and recoupment of debt as per the objects of the issue by 31.03.2015.

Public deposits: The Company has closed the public deposits scheme w.e.f. 11.05.2013. However, deposits accepted prior to 11.05.2013 were allowed to continue till their respective maturity dates unless required to be paid prior to their maturities in compliance with any statutory requirements. The last such redemption was scheduled to take place in April 2016. However, since Companies Act, 2013, requires elaborate compliance involving substantial expenditure and commitment of manpower; it was decided to pre-poned the repayment of such public deposits maturing beyond 31.03.2015 after sending individual notices to the deposit holders. All such deposits amounting ₹ 0.09 crore and interest thereon upto 31.03.2015 have been repaid.

Foreign currency debts: During the year, the company tied up a syndicated term loan facility of USD 250 million arranged by Mizuho Bank Limited, Singapore branch. The loan carried a floating rate of interest linked to LIBOR and has a door-to-door maturity of 7 years. Further, the Company also made an offering of 4.375% USD 500 million notes due 2024 under its MTN programme during the year. An amount of ₹ 4,627.70 crore was drawn from the debt tied

up during the year. In addition, under the existing loan facilities available from JBIC and KfW, during the year, the Company has drawn and utilised ₹ 1,920.01 crore towards capital expenditure incurred on various projects. In all, the Company has drawn during the year ₹ 6,547.70 crore from foreign currency loans.

As at 31.03.2015, the derivative contract (Currency Interest Rate Swap) outstanding stood at JPY 14.96 crore and principal swap stood at EURO 1.00 crore. (Note 49a)

Repayments: During the year repayments amounting to ₹ 3,346.08 crore and ₹ 811.50 crore were made towards domestic term loans and foreign currency loans respectively. Further, bonds amounting to ₹ 593.00 crore were redeemed during the year. During the year public deposits and finance lease (net) for ₹ 0.57 crore were also discharged.

The Company continues to enjoy highest credit ratings for its bonds programme, borrowings from banks as well as fixed deposits, while Company's International Ratings are at par with sovereign ratings as detailed hereunder:

Credit Rating Agency	Rating	Remarks
Domestic		
CRISIL	CRISIL AAA	Highest ratings
ICRA	ICRA AAA (Stable)	
CARE	CARE AAA	
International		
S&P	BBB-/stable	Equivalent to sovereign ratings
Fitch	BBB-/stable	

The debt to equity ratio at the end of financial year 2014-15 of the Company increased to 1.05 from 0.78 at the end of the previous financial year. The Debt Service Coverage Ratio (DSCR) and Interest Service Coverage Ratio (ISCR) for financial year 2014-15 are 2.44 and 6.72 respectively.

Formula used for computation of coverage ratios DSCR = Earnings before Interest, Depreciation, Tax and Exceptional items/ (Interest net of transferred to expenditure during construction + Principal repayment) and ISCR = Earnings before Interest, Depreciation, Tax and Exceptional items/ (Interest net of transferred to expenditure during construction).

The maturity profile of the borrowings by the Company is as under:

₹ Crore

	Rupee loans incl. bonds	Foreign currency loans	Total
Within 1 year	4,719.59	2,738.02	7,457.61
2 - 3 years	9,489.71	3,953.10	13,442.81
4 - 5 years	10,833.11	3,911.44	14,744.55
6 - 10 years	29,037.60	13,481.24	42,518.84
Beyond 10 years	6,485.31	1,346.22	7,831.53
Total	60,565.32	25,430.02	85,995.34

b. Deferred Tax Liabilities (net):

Deferred tax liabilities (net) (Note 6) have decreased from ₹ 1,051.61 crore as at 31.03.2014 to ₹ 979.07 crore as at 31.03.2015. The decrease in deferred tax liability as on 31.03.2015 as compared to 31.03.2014 is primarily due to the fact that during 2014-15 deferred tax asset materialized is higher as compared to deferred tax liability materialized for the period 2009-14 which is not recoverable/ payable from/ to the beneficiaries as per Tariff Regulations, 2009. 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.

c. Other Long Term Liabilities:

Other long term liabilities (Note 7) primarily consist of liabilities for capital expenditure and deferred foreign currency fluctuation liability. Liabilities for capital expenditure has increased from ₹ 2,353.46 crore as at 31.03.2014 to ₹ 2,617.86 crore as at 31.03.2015 mainly due to new projects going under construction. Liabilities for capital expenditure which are due for payment within 12 months from the reporting date have been classified under 'Other current liabilities'. (Note 10)

Further, as per accounting policy no. M4, exchange differences on account of translation/settlement of foreign currency monetary items which are payable to the beneficiaries in subsequent periods as per CERC tariff regulations are accounted as 'Deferred foreign currency fluctuation liability'. Accordingly, deferred foreign currency fluctuation liability to the extent of ₹ 106.07 crore (previous year ₹ 16.07 crore) has been created during the year and as a result total balance in 'deferred foreign currency fluctuation liability' has risen from ₹ 151.67 crore to ₹ 257.74 crore.

d. Long Term Provisions:

Long term provisions (Note 8) consist of amounts provided towards employees benefits as per actuarial valuation which are expected to be settled beyond a period of 12 months from the Balance Sheet date. Long term provision as at 31.03.2015 was ₹ 1,115.71 crore as compared to ₹ 879.36 crore as at 31.03.2014.

e. Current Liabilities:

The current liabilities as at 31.03.2015 were ₹ 30,519.52 crore as against ₹ 25,279.80 crore as at the end of previous year. The break-up of current liabilities is as under:

₹ Crore

	As at March 31		Y-o-Y Change	% Change
	2015	2014		
Trade payables (Note-9)	5,953.15	6,429.60	(476.45)	-7%
Other current liabilities (Note-10)	16,807.62	11,547.60	5,260.02	46%
Short term provision (Note-11)	7,758.75	7,302.60	456.15	6%
Total	30,519.52	25,279.80	5,239.72	21%

The trade payables mainly comprise amount payable towards supply of goods & services, deposits & retention money from contractors. Trade payable has reduced mainly on account of discharge of coal liabilities.

Other current liabilities mainly comprise current maturities of long term borrowings, payable towards capital expenditure and other statutory liabilities. The details of other current liabilities are as under:

₹ Crore

	As at March 31	
	2015	2014
Other current liabilities	16,807.62	11,547.60
Less: Current maturities of long term borrowings and Finance lease obligations	7,463.01	4,764.47
Other current liabilities (net)	9,344.61	6,783.13

Other current liabilities (net) include amount payable for capital expenditure, interest accrued but not due on borrowings, book overdraft, advances from customers and others, deposits from contractors, gratuity obligations, payables to employees, unpaid

dividends etc. Other current liabilities (net) has increased mainly due to increase in payables for capital expenditure which has increased from ₹ 4,540.89 crore as on 31.03.2014 to ₹ 6,421.73 crore as on 31.03.2015 and also due to book overdraft amounting to ₹ 546.01 crore as on 31.03.2015 as compared to ₹ 2.71 crore as on 31.03.2014.

Short-term provisions mainly consist of provisions for employee benefits, provision for proposed dividend and tax thereon, provision for obligations incidental to land acquisition, provision for tariff adjustment and some other provisions. As at 31.03.2015, Company had outstanding short term provisions of ₹ 7,758.75 crore as against ₹ 7,302.60 crore as at 31.03.2014. The increase is due to reasons discussed as under:

Provision for obligations incidental to land acquisition as at 31.03.2015 has increased by ₹ 276.30 crore over the previous year i.e. from ₹ 2,822.42 crore as on 31.03.2014 to ₹ 3,098.72 crore as on 31.03.2015. The provision for proposed final dividend remained same at ₹ 1,442.96 crore as on 31.03.2015 as well as on 31.03.2014. However, provision for dividend distribution tax has increased to ₹ 293.75 crore as on 31.03.2015 as compared to ₹ 244.21 crore as on 31.03.2014 due to higher rate of dividend tax.

Provision for tariff adjustment was created in the books of accounts as a prudent and conservative policy in the year 2010-11, to the extent of the impact of the issues challenged by CERC in Supreme Court on the APTEL's judgment. The Appeal is still pending for disposal and the CERC tariff orders are subject to the outcome of this appeal.

Accordingly, 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.

Other provisions 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 [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.

4 Fixed Assets

Fixed assets of the Company are detailed as under:

₹ Crore

	As at March 31		% Change
	2015	2014	
Tangible assets	128,061.50	116,610.59	10%
Intangible assets	416.09	381.47	9%
Total gross block	128,477.59	116,992.06	10%
Total net block	78,849.07	72,110.83	9%
Capital work-in-progress and Intangible assets under development (CWIP)	56,493.49	44,888.67	26%
Capital advances (Note 15)	7,720.69	8,644.98	-11%
Total CWIP & capital advances	64,214.18	53,533.65	20%

During the year, gross block of the Company increased by ₹ 11,485.53 crore over the previous year i.e. 10%. This was mainly on account of declaration of commercial operation of 695 MW during 2014-15 and also capitalisation of some other assets.

Correspondingly, net block has increased by 9%. Capital work-in-progress and capital advances (shown as Long-term loans & advances in Note 15 of Balance Sheet) taken together also increased by ₹ 10,680.53 crore registering an increase of 20% over the last year.

	₹ Crore				
	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
Total gross block	128,477.59	116,992.06	103,245.70	81,830.26	72,755.15
Increase in gross block over previous year	11,485.53	13,746.36	21,415.44	9,075.11	5,905.08
Total CWIP & capital advances	64,214.18	53,533.65	44,036.77	44,569.27	38,270.63
Increase in CWIP & capital advances over previous year	10,680.53	9,496.88	(532.50)	6,298.64	6,166.32
Total increase in gross block & CWIP	22,166.06	23,243.24	20,882.94	15,373.75	12,071.40

If we analyse the trend, combined gross block & CWIP has increased significantly in last 3 years indicating higher capex. Over last 5 years, total CWIP & capital advances have steadily grown at a CAGR of 15%. Similarly, total gross block has also grown at a CAGR of 14% over last 5 years. The gross block is expected to grow significantly higher in near future, as the capacity awarded through bulk tender is expected to be operational in next 2 to 3 years.

5 Investments

Investments have been bifurcated into non-current investments and current investments and discussed accordingly:

	₹ Crore		
	As at March 31		% Change
	2015	2014	
Non-current investments (Note 14)	7,154.07	8,120.90	-12%
Current investments (Note 16)	1,878.06	1,636.96	15%
Total	9,032.13	9,757.86	-7%

Investments as at year end mainly consist of bonds issued under One Time Settlement Scheme (OTSS) and equity participation in subsidiary and joint ventures companies. Broadly, the break-up of investments is as follows:

	₹ Crore	
	As at March 31	
	2015	2014
Bonds issued under One Time Settlement Scheme (OTSS Bonds)	1,651.46	3,288.42
Investment in liquid mutual funds	226.60	-
Investment in equity instruments	12.00	12.00
Investment in Joint Ventures	5,299.38	5,090.04
Investment in Subsidiaries	1,842.69	1,367.40
Total investments	9,032.13	9,757.86

Over the year, the investments decreased by about 7% mainly due to redemption of OTSS bonds. During the year 2014-15, OTSS bonds amounting to ₹ 1,636.96 crore were redeemed as per scheduled redemption and resultantly, the outstanding balance of OTSS bonds reduced from ₹ 3,288.42 crore as on 31.03.2014 to ₹ 1,651.46 crore

as on 31.03.2015. Your Company also parked an amount of ₹ 296.60 crore in short term liquid mutual funds. The Company invested (net) ₹ 209.34 crore in following joint venture companies during the year:

Name of JV company	₹ Crore
NTPC-Tamil Nadu Energy Company Ltd.	0.01
Aravali Power Company Private Ltd.	7.17
Meja Urja Nigam Private Ltd.	128.92
Nabinagar Power Generating Company Private Ltd.	41.00
National High Power Test Laboratory Private Ltd.	9.02
Trincomalee Power Company Ltd.	2.54
Bangladesh-India Friendship Power Co. Pvt. Ltd.	25.31
Total Investment	213.97
Less: Provision for diminution in value in	
BF-NTPC Energy Systems Ltd.	(3.35)
Pan-Asian Renewables Private Ltd.	(1.28)
Net Investment	209.34

The Company also invested ₹ 475.29 crore in the following subsidiary companies:

Name of subsidiary company	₹ Crore
Kanti Bijlee Utpadan Nigam Ltd.	137.49
Bhartiya Rail Bijlee Company Ltd.	337.80
Total investment	475.29

6 Long Term Loans and Advances

Long term loans and advances (Note 15) include those loans and advances which are expected to be realized after a period of 12 months from Balance Sheet date. Total long term loans and advances as at 31.03.2015 were ₹ 15,527.89 crore as against ₹ 12,777.26 crore as at 31.03.2014. Long term loans and advances consist of advances for capital expenditure and other advances to contractors, security deposits and loans to employees. Break-up of long term loans and advances is as under:

	₹ Crore	
	As at March 31	
	2015	2014
Total Long term loans & advances	15,527.89	12,777.26
Less: capital advances	7,720.69	8,644.98
Other long term loans & advances	7,807.20	4,132.28

Capital advances have already been discussed along with capital work-in-progress under the head fixed assets. Other long term loans and advances have gone up from ₹ 4,132.28 crore to ₹ 7,807.20 crore, an increase of ₹ 3,674.92 crore. The increase is mainly due to increase in advances to contractors which have gone up from ₹ 607.52 crore to ₹ 2,278.48 crore i.e. by ₹ 1,670.96 crore. Major reason for increase in advances to contractors is due to payment of advance to railways under policy on 'Participative model for rail-connectivity and capacity augmentation projects' issued by Ministry of Railways for providing rail connectivity at projects which is to be adjusted from future freight bills (Note 15g). Advance income tax net of provision for income tax has also gone up from ₹ 2,719.53 crore to ₹ 4,813.48 crore i.e. by ₹ 2,093.95 crore. Long term loans and advances also include a loan of ₹ 47.86 crore (previous year ₹ 143.59 crore) to the Govt. of Delhi subsequent to conversion of the dues of erstwhile DESU under the One Time Settlement Scheme. The Govt. of Delhi pays 8.5% tax-free interest on this loan. Long term loans and advances also include advance tax and tax deducted at source as reduced by provision for current tax.

7 Other Non-Current Assets

As per the opinion of the EAC of the ICAI, exchange differences on account of translation of foreign currency borrowings which are recoverable from the beneficiaries in subsequent periods as per CERC tariff regulations are accounted as 'deferred foreign currency fluctuation asset'. Accordingly, an amount of ₹ 1,230.49 crore has been accounted under this head upto 31.03.2015 (Previous year

₹ 1,360.77 crore) (Note 15A). Deferred foreign currency fluctuation asset has decreased mainly due to appreciation of Indian Rupee against Japanese Yen and Euro.

Other non-current assets also include claims recoverable from Government of India amounting to ₹ 466.28 crore as on 31.03.2015 (previous year ₹ 426.00 crore) in respect of Loharinag-pala Hydro Power Project which has been discontinued on the advice of the Ministry of Power, Gol. This includes an amount of ₹ 214.34 crore (previous year ₹ 176.22 crore) in respect of arbitration award challenged by the Company before High Court. In the event court grants relief to the Company, the amount would be adjusted against 'short term provision- 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 Gol.

8 Current Assets

The current assets as at 31.03.2015 and 31.03.2014 and the changes therein are as follows:

	As at March 31		Y-o-Y Change	% Change
	2015	2014		
Current investments (Note 16)	1,878.06	1,636.96	241.10	15%
Inventories (Note 17)	7,453.00	5,373.35	2,079.65	39%
Trade receivables (Note 18)	7,604.37	5,220.08	2,384.29	46%
Cash & bank balances (Note 19)	12,878.81	15,311.37	(2,432.56)	-16%
Short term loans & advances (Note 20)	2,407.59	3,116.04	(708.45)	-23%
Other current assets (Note 21)	5,141.60	9,211.95	(4,070.35)	-44%
Total current assets	37,363.43	39,869.75	(2,506.32)	-6%

A major portion of current assets comprised cash and bank balances. As at 31.03.2015, cash and bank balances stood at ₹ 12,878.81 crore being 34% of the total current assets in comparison to ₹ 15,311.37 crore as at 31.03.2014 which was 38% of the total current assets as at that date. Of the cash and bank balance of ₹ 12,878.81 crore, an amount of ₹ 4,656.83 crore represented unutilized portion of bonus debentures. Out of amount lying as cash and bank balances, amount of ₹ 12,583.52 crore was held as term deposits with banks as at 31.03.2015 as against ₹ 15,141.27 crore as at 31.03.2014.

Inventories

Inventories as at 31.03.2015 were ₹ 7,453.00 crore (being 20% of current assets) as against ₹ 5,373.35 crore as at 31.03.2014. Inventories mainly comprise stores and spares and coal which are maintained for operating plants. Stores and spares were ₹ 2,631.31 crore as against ₹ 2,493.77 crore at previous year end. Coal inventory increased from ₹ 1,957.45 crore as at 31.03.2014 to ₹ 3,827.37 crore as at 31.03.2015 due to better coal stocks at stations for smoother operations of power plants.

Trade Receivables

Trade receivables (net) as at 31.03.2015 are ₹ 7,604.37 crore as against ₹ 5,220.08 crore as at 31.03.2014. Trade receivables have increased by 46% over the year, however on number of sales days basis, the same have gone up from 26 days to 38 days. The increase in debtors' balances is mainly due to outstandings of discoms of U.P., Odisha and Bihar. Out of ₹ 7,604.37 crore only an amount of ₹ 17.39 crore was outstanding for more than 6 months. Considering the financial health of our customers and industry standards, average 38 days debtors are at acceptable levels. The Company has collected 100% dues for 12th year in succession.

Keeping in view the requirements of Companies Act, 2013, unbilled revenues are shown under 'Other current assets' in Note 21 of Balance Sheet.

Short term loans and advances

Short term loans and advances as at 31.03.2015 comprise of

advances to contractors and suppliers including materials issued on loan, short term advances to employees, security deposits, loans and advances to subsidiary and joint venture companies etc. Short term loans and advances have decreased from ₹ 3,116.04 crore as on 31.03.2014 to ₹ 2,407.59 crore as on 31.03.2015 mainly on account of reduction in adhoc advance to coal companies.

Other Current Assets

Other current assets excluding unbilled revenue are as under:

	As at March 31	
	2015	2014
Other current assets (Note 21)	5,141.60	9,211.95
Less: Unbilled revenue	2,502.33	6,646.93
Net Other current assets	2,639.27	2,565.02

Other current assets include interest accrued on OTSS Bonds, term deposits with banks, other deposits and claims recoverable. Claims recoverable has increased from ₹ 1,743.26 crore as on 31.03.2014 to ₹ 2,074.46 crore as on 31.03.2015.

Claims recoverable include claims against railways ₹ 1,723.54 crore (previous year ₹ 1,532.86 crore) which are mainly towards diverted out coal wagons.

Unbilled revenue consists of items viz. (i) sales for the month of March which is billed in April; and (ii) other credits which are to be passed on to beneficiaries. For the year 2014-15, the credits which are to be passed on to beneficiaries have already been accounted for in sales. Unbilled revenue of ₹ 2,502.33 crore (previous year ₹ 6,646.93 crore) 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.

Cash flows

Cash, cash equivalents and cash flows on various activities is given below:

	₹ Crore	
	FY 2014-15	FY 2013-14
Opening cash & cash equivalents	15,311.37	16,867.70
Net cash from operating activities	14,234.70	15,732.18
Net cash used in investing activities	(14,562.60)	(13,979.71)
Net cash flow from financing activities	(1,878.08)	(3,308.99)
Exchange difference arising from translation of foreign currency cash and cash equivalents	0.02	0.19
Change in cash and cash equivalents	(2,205.96)	(1,556.33)
Closing cash & cash equivalents	13,105.41	15,311.37

Net cash generated from operating activities was ₹ 14,234.70 crore during the year 2014-15 as compared to ₹ 15,732.18 crore in the previous year. Fall is mainly due to lower cash profits.

Net cash used in investing activities was ₹ 14,562.60 crore in financial year 2014-15 as compared to ₹ 13,979.71 crore in the previous year. Cash outflows on investing activities arise from expenditure on setting up power projects, investment of surplus cash in various securities, investments in joint venture & subsidiary companies and tax outflow on income from investing activities. Cash inflows arise from interest from banks and dividend income from joint venture and subsidiary companies and mutual funds. Cash invested on purchase of fixed assets increased to ₹ 17,128.27 crore in financial year 2014-15 from ₹ 16,739.70 crore in previous year. During the year, there was purchase and sale of non-trade investments and redemption of OTSS Bonds. Cash flows from sale of investment (net of purchase of investment) was ₹ 1,636.96 crore.

During the year, the Company used net ₹ 1,878.08 crore of cash for servicing financing activities as against ₹ 3,308.99 crore in the previous year. During the financial year 2014-15, the Company had an inflow of ₹ 23,360.37 crore including proceeds of bonus debentures from long term borrowings as against ₹ 12,366.65 crore in the previous year. Cash used for repayment of long term borrowings during the financial year 2014-15 was ₹ 4,751.15 crore as against ₹ 4,993.49 crore repaid in the previous year. Cash used for paying dividend and the tax thereon during 2014-15

was ₹ 14,796.83 crore as compared to ₹ 5,788.07 crore in the previous year. Dividend and dividend tax paid during the current year also includes amount paid as bonus debentures and dividend tax paid thereon.

FINANCIAL SUMMARY OF SUBSIDIARY COMPANIES

Your Company has four subsidiary companies as at 31.03.2015 out of which two are wholly owned.

A summary of the financial performance of the subsidiary companies and the dividend received/proposed for the financial year 2014-15 from them based on their audited results is given below:

₹ Crore

Company	NTPC's investment in equity	Total Income	Profit After Tax/ (Loss)	Investment of the subsidiary	NTPC's share of dividend received/ proposed for 2014-15
1 NTPC Electric Supply Company Ltd.!	0.08	23.64	1.26	0.31	-
2 NTPC Vidyut Vyapar Nigam Limited	20.00	3,887.97	43.61	-	20.00
3 Kanti Bijlee Utpadan Nigam Limited	650.00	460.45	17.24	-	-
4 Bhartiya Rail Bijlee Company Limited	1,172.61	-	(0.04)	-	-
Total	1,842.69	4,372.06	62.07	0.31	20.00

!NTPC Electric Supply Company Limited (NESCL) holds 50% of share capital amounting to ₹0.05 crore in KINESCO Power and Utilities Pvt. Ltd., a joint venture with KINFRA. In addition ₹0.26 crore of share application money is pending for allotment.

The detailed financial statements and management discussion and analysis of the subsidiaries are included elsewhere in this Annual Report.

FINANCIAL SUMMARY OF JOINT VENTURE COMPANIES

Your Company has interests in the following joint venture companies. Proportion of ownership, financial performance of the companies during the year and the dividend received/proposed for the financial year 2014-15 from them based on results are given below:

₹ Crore

Company	NTPC's interest (Ex. Share application Money) (%)	NTPC's investment in equity	Total Income	Profit After Tax/ (Loss)
A. Joint Venture Companies incorporated in India				
1 Utility Powertech Ltd.	50	1.00 @	590.78	23.22
2 NTPC Alstom Power services Pvt. Ltd.	50	3.00	69.85	2.62
3 NTPC Tamil Nadu Energy Company Ltd.	50	1,325.61	1,972.81	(86.78)
4 Ratnagiri Gas And Power Private Ltd.*	28.91	974.30	181.73	(1,401.72)
5 NTPC-SAIL Power Company Private Ltd.	50	490.25	1,622.99	227.41
6 Aravali Power Company Private Ltd.	50	1,278.85 @@	4,451.40	179.85
7 NTPC-SCCL Global Venture Pvt. Ltd.*	50	0.05	0.009	0.003
8 Meja Urja Nigam Private Ltd.	50	541.35 #	-	(0.06)
9 NTPC BHEL Power Projects Private Ltd.*	50	50.00	592.52	1.66
10 BF-NTPC Energy Systems Ltd.	49	5.88	0.0001	(0.30)
11 Nabinagar Power Generating Company Private Ltd.	50	511.13	-	-
12 National Power Exchange Ltd.*	16.67	2.19	0.55	0.10
13 National High Power Test Laboratory Private Ltd.	21.63	23.90	-	-

14 Transformers & Electricals Kerala Ltd.*	44.6	31.34	132.35	(39.93)
15 International Coal Ventures Private Ltd.*	0.27	1.40	-	-
16 Energy Efficiency Services Ltd.*	25	22.50	70.30	10.36
17 CIL NTPC Urja Private Ltd.*	50	0.08 ##	0.0003	(0.0017)
18 Anushakti Vidhyut Nigam Ltd.	49	0.05	0.0027	(0.0026)
19 Pan Asian Renewables Private Ltd.*	50	1.50	0.08	(0.84)
B. Joint Venture Companies incorporated outside India				
20 Trincomalee Power Company Limited, Srilanka*	50	9.26	0.59	(0.46)
21 Bangladesh-India Friendship Power Company Private Ltd.*	50	31.43\$	-	-
Total		5,305.07	9,685.96	(1,077.87)

*Financial statements are un-audited

@excluding ₹ 1 crore equity issued as fully paid bonus shares

@@ including share capital pending allotment of ₹ 21.34 crore

including share capital pending allotment of ₹ 128.92 crore

including share application money pending for allotment of ₹ 0.05 crore

\$ including share application money pending for allotment of ₹ 15.90 crore

As may be seen, out of the 21 joint venture companies, 9 companies listed at Sl. No. 1 to 6, 9, 14 and 16 are operational with 6 of them registered an aggregate profit of ₹ 445.12 crore and balance 3 companies has suffered a loss of ₹ 1,521.43 crore in the current financial year. Details about business of the joint venture companies are available elsewhere in the Annual Report.

Consolidated financial statements of NTPC Ltd.

The consolidated financial statements have been prepared in accordance with Accounting Standards (AS)-21 - 'Consolidated Financial Statements' and Accounting Standards (AS)-27 - 'Financial reporting of Interests in Joint Ventures' and are included elsewhere in this Annual report.

A brief summary of the results on a consolidated basis is given below:

₹ Crore

	FY 2014-15	FY 2013-14
Total revenue	82,700.95	81,710.75
Profit before Tax	10,456.21	14,485.76
Profit after Tax	9,992.37	11,403.40
Profit after Tax [less Share of Profit/ (Loss)- Minority interest]	9,986.34	11,403.61
Net Cash from operating activities	14,745.85	16,530.84

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis and in the Directors' Report, describing the Company's objectives, projections and estimates, contain words or phrases such as "will", "aim", "believe", "expect", "intend", "estimate", "plan", "objective", "contemplate", "project" and similar expressions or variations of such expressions, are "forward-looking" and progressive within the meaning of applicable laws and regulations. Actual results may vary materially from those expressed or implied by the forward looking statements due to risks or uncertainties associated therewith depending upon economic conditions, government policies and other incidental factors. Readers are cautioned not to place undue reliance on these forward-looking statements.

For and on behalf of the Board of Directors



(Dr. Arup Roy Choudhury)
Chairman & Managing Director
(DIN: 00659908)

Place: New Delhi

Date: 30th July, 2015

REPORT ON CORPORATE GOVERNANCE

Corporate Governance Philosophy

In NTPC, Corporate Governance philosophy stems from our belief that corporate governance is a key element in improving efficiency, growth, enhancing investor's confidence and return to the shareholders. Accordingly, the Corporate Governance philosophy has been scripted as under:

"As a good corporate citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders, thereby paving the way for its long term success."

Our Company is committed to ethical and transparent business practices. Corporate Governance encapsulates an implied agreement between business and society. It aims at enhancing long-term value for stakeholders including commitment to improve community well-being through Corporate Social Responsibility initiatives. It is considered as an environment of trust, ethics, moral values and confidence and as a synergic effort of all constituents of society.

Our company is set to comply with the changes brought in the area of Corporate Governance by the Companies Act, 2013 and the SEBI Corporate Governance Norms.

Besides adhering to provisions of the Listing Agreement, we also follow the Guidelines on Corporate Governance for CPSEs issued by Department of Public Enterprises (DPE), Government of India.

1. CORPORATE GOVERNANCE AWARDS & RECOGNITIONS

In recognition of its excellence in Corporate Governance, NTPC has been conferred the following awards:

- (i) 'Golden Peacock Global Award for Excellence in Corporate Governance' by World Council for Corporate Governance for the year 2014. This award was also received by the Company during the years 2007, 2009 and 2012.
- (ii) Award for Excellence 2011 - Good Corporate Citizen Award by PHD Chamber of Commerce and Industry.
- (iii) 'ICSI National Award for Excellence in Corporate Governance - 2009' by the Institute of Company Secretaries of India
- (iv) 'Golden Peacock National Award for Excellence in Corporate Governance' by World Council for Corporate Governance in the year 2008

2. BOARD OF DIRECTORS

2.1 Size of the Board

NTPC is a Government Company within the meaning of Section 2(45) of the Companies Act, 2013 as the President of India presently holds 74.96% of the total paid-up share capital. As per Articles of Association, the power to appoint Directors vests with the President of India.

In terms of the Articles of Association of the Company, the strength of our Board shall not be less than four Directors or more than twenty Directors. These Directors may be either whole-time Directors or part-time Directors.

2.2 Composition of the Board

The listing agreements with stock exchanges stipulate that the Board of Directors of the company shall have an optimum combination of executive and non-executive directors with atleast one woman director and not less than fifty percent of the Board of Directors comprising non-executive directors.

Accordingly, the composition of the Board would be as under:

- (i) Seven Functional Directors including the Chairman & Managing Director,

(ii) Two Government Nominee Directors and

(iii) Nine Independent Directors as per the requirement of the Listing Agreement.

As on 31st March 2015, the Board comprised eleven Directors out of which seven were whole-time Directors (Executive Directors) including the Chairman & Managing Director. Two Directors were nominees of the Government of India. The Board had two Independent Directors who were appointed by the Government of India through a Search Committee constituted for the purpose. All the Directors bring to the Board a wide range of experience and skills.

Details regarding Independent Directors on the Board of the Company during the financial year 2014-15 is as under:

Period	Requirement as per the Listing Agreement and as per DPE Guidelines on Corporate Governance	Requirement as per the Companies Act, 2013	Actual
April 1, 2014 to June 16, 2014	9*	6*	9*
June 17, 2014 to August 25, 2014	8*	6*	9*
August 26, 2014 to October 30, 2014	8*	6*	7*
October 31, 2014 to January 19, 2015	9*	6*	7*
January 20, 2015 to February 27, 2015	9*	6*	5*
February 28, 2015 to March 31, 2015	9*	6*	2

*including one woman director

From the above, it may be observed that for the period from August 26, 2014 to March 31, 2015 there were insufficient numbers of Independent Directors on the Board as per the requirement of Clause 49 (II) (A) of the Listing Agreement and Clause 3.4.1 of Guidelines on Corporate Governance for CPSEs issued by DPE.

Further, for the period from February 28, 2015 to March 31, 2015, there was no woman director on the Board of the Company and similarly, there were insufficient numbers of Independent Directors for the period from January 20, 2015 to March 31, 2015 as per the requirement of Section 149 (4) of the Companies Act, 2013.

Since, being a Government Company, the power to appoint the Directors on the Board vests with the President of India, accordingly, the Company is, from time to time, requesting Ministry of Power to appoint the requisite number of Independent Directors and woman Director on the Board.

2.3 Age Limit and Tenure of Directors

The age limit for the Chairman & Managing Director and other whole-time Directors is 60 years.

The Chairman & Managing Director and other whole time Directors are initially appointed for a period of five years from the date of taking over the charge or until the date of superannuation of the incumbent, or until further orders from the Government of India, whichever event occurs earlier. Based on the performance, the tenure of the whole-time director can be extended further till the date of superannuation or until

further order from the Government of India, whichever event occurs earlier.

Government Nominee Directors representing Ministry of Power, Government of India retire from the Board on ceasing to be officials of the Ministry of Power.

Independent Directors are appointed by the Government of India for a tenure of three years.

2.4 Resume Of Directors

The brief resume of Directors retiring by rotation and Additional Directors seeking appointment including nature of their experience in specific functional areas, names of companies in which they hold directorship & membership/ chairmanship of Board/ Committees and number of shares held in the Company is appended to the Notice calling the Annual General Meeting.

2.5 Board Meetings

The meetings are convened by giving appropriate advance notice. To address any specific urgent need, meetings are sometimes also being called at a shorter notice. In case of exigencies or urgency, resolutions are passed by circulation.

Detailed agenda notes, management reports and other explanatory statements are normally circulated atleast a week before the Board Meeting in a defined agenda format amongst the Board Members for facilitating meaningful, informed and focused discussions in the meetings. In exceptional cases, where it is not practicable to circulate any document or the agenda is of confidential nature, the same is tabled with the approval of CMD.

The meetings of the Board of Directors are normally held at the Company's registered office situated at New Delhi.

During the financial year 2014-15, thirteen Board Meetings were held. The first meeting was held on April 17 and subsequent meetings on May 15, June 19, July 11, July 31, September 10, October 31, November 10, November 28, December 23, 2014, January 30, February 25 and March 25, 2015. The maximum interval between any two meetings during this period was 50 days. Details of number of Board meetings attended by Directors, attendance at last AGM, number of other directorships/ committee memberships (viz., Audit Committee and Stakeholders' Relationship Committee as per the Listing Agreement) held by them during the year 2014-15 are tabulated below:

S. No.	Directors	Meeting held during respective tenures of Directors	No. of Board Meetings Attended	Attendance at the last AGM (held on 27.08.2014)	Number of other Directorships held on 31.03.15	Number of Committee memberships in companies on 31.03.15	
						As Chairman [§]	As Member [§]
Functional Directors							
1.	Dr. Arup Roy Choudhury Chairman & Managing Director	13	13	Yes	9	-	-
2.	Shri I.J. Kapoor Director (Commercial)	13	11	Yes	7	2	2
3.	Shri N.N. Misra Director (Operations) (upto 31.10.2014)	7	7	Yes	NA*	NA*	NA*
4.	Shri A.K. Jha Director (Technical)	13	13	Yes	6	-	2
5.	Shri U.P. Pani Director (Human Resources)	13	12	Yes	5	-	3
6.	Shri S.C. Pandey Director (Projects)	13	13	Yes	4	1	1
7.	Shri K. Biswal Director (Finance)	13	13	Yes	3	-	2
8.	Shri K.K. Sharma Director (Operations) (w.e.f. 01.11.2014)	6	6	NA*	3	-	-
Non-executive Directors (Government Nominees)							
9.	Dr. Pradeep Kumar JS&FA, Ministry of Power	13	13	No	1	-	3
10.	Shri G. Sai Prasad (upto 16.06.2014)	2	2	NA*	NA*	NA*	NA*
11.	Shri Anil Kumar Singh JS (Th.), Ministry of Power (w.e.f. 31.10.2014)	7	3	NA*	2	-	-

Independent Directors							
12.	Shri S.B. Ghosh Dastidar Former Member (Traffic), Railway Board (upto 25.08.2014)	5	5	NA*	NA*	NA*	NA*
13.	Shri R.S. Sahoo Practising Chartered Accountant (upto 25.08.2014)	5	5	NA*	NA*	NA*	NA*
14.	Shri Ajit M. Nimbalkar Ex-Chief Secretary, Government of Maharashtra (upto 19.01.2015)	10	9	Yes	NA*	NA*	NA*
15.	Shri S.R. Upadhyay Ex-CMD, Mahanadi Coalfields Limited (upto 19.01.2015)	10	9	Yes	NA*	NA*	NA*
16.	Ms. H.A. Daruwalla Ex-CMD, Central Bank of India (upto 27.02.2015)	12	11	Yes	NA*	NA*	NA*
17.	Shri A.N. Chatterji Ex-Deputy, C&AG, Govt. of India (upto 27.02.2015)	12	11	Yes	NA*	NA*	NA*
18.	Prof. Sushil Khanna Professor of Economics and Strategic Management, IIM, Kolkata (upto 27.02.2015)	12	10	Yes	NA*	NA*	NA*
19.	Dr. A. Didar Singh Ex-Secretary to the Govt. of India	13	9	No	2	-	1
20.	Shri Prashant Mehta Ex- Director General, Academy of Administration, Bhopal	13	12	Yes	-	1	1

*NA indicates that concerned person was not a Director on NTPC's Board on the relevant date.

\$ In line with Clause 49 (II) (D) (2) of the Listing Agreement, only the Audit Committee and Stakeholders' Relationship Committee have been taken into consideration in reckoning the number of committee memberships of Directors or Chairman and as Member.

All the Independent Directors have given the declaration that they meet the criteria of independence as per the provisions of the Companies Act, 2013 and the Listing Agreements.

2.6 Separate Meeting of Independent Directors and Performance Evaluation of Board Members:

As per the Guidelines issued by DPE on Role & Responsibilities of Non-Official Directors (Independent Directors) of CPSEs, Code of Conduct for Independent Directors prescribed under the Companies Act, 2013 and Clause 49 (II) (B) (6) of the Listing Agreement, a separate meeting of the Independent Directors shall be held atleast once in a year. The purpose of the meeting shall be to:

- review the performance of the non-independent directors and the Board as a whole;
- review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors; and
- assess the quality, quantity and timeliness of flow of information between the Company management and the Board necessary for the Board to effectively and reasonably perform their duties.

A separate meeting of Independent Directors was held on

19.02.2015. All the Independent Directors except Dr. Alwyn Didar Singh and Shri Prashant Mehta attended this separate meeting. This meeting assessed the performance of the Board as a whole and also the quality, quantity and timeliness of flow of information between the Company management and the Board necessary for the Board to effectively and reasonably perform their duties.

Since the appointment of the Chairman & Managing Director and other whole-time Directors is made by the Government of India and DPE has already laid a mechanism for performance appraisal of them, DPE, through Office Memorandum No. F. No. 16(4)/2012-GM dated 20.06.2013, had made the amendment to the Roles & Responsibilities of non-official Directors on the Board of CPSEs to effect that the separate meeting of the Independent Directors shall not review the performance of the Director or of the Board. Also, the performance of the Board of the Government Companies is evaluated during the performance evaluation of the MOU signed with the Government of India. Further, we have sought exemption from the Ministry of Corporate Affairs under Section 462 of the Companies Act, 2013 for exempting Government Companies from the provision of performance evaluation of the Directors and the same is under consideration. As such, the

performance of the Functional Directors was not evaluated by the Independent Directors.

2.7 Information Placed Before the Board of Directors:

The Board has complete access to any information within the Company to be able to take informed and meaningful decisions, exercise control over the organisation as well as to review the progress of implementation of the strategic decisions and corporate plans formulated by the Board. The information regularly supplied to the Board includes:

- Annual operating plans and budgets and any updates.
- Capital Budgets and any updates.
- Quarterly financial results
- Annual Accounts, Directors' Report, etc.
- Major investments, formation of subsidiaries and Joint Ventures, Strategic Alliances, etc.
- Minutes of meetings of Audit Committee and other Committees of the Board.
- Minutes of meetings of Board of Directors of subsidiary companies.
- Fatal or serious accidents, dangerous occurrences, etc.
- Operational highlights and substantial non-payment for goods sold by the Company.
- Award of large value contracts
- Disclosure of Interest by Directors about directorships and committee positions occupied by them in other companies
- Quarterly Report on foreign exchange exposures
- Quarterly Report on Foreign Travel of CMD, Functional Directors and Employees
- Quarterly Report on Short Term Deposits and Investments
- Quarterly Report on Contract awarded on nomination basis
- Quarterly Report on Reconciliation of Share Capital Audit
- Quarterly Report on Business Activities of various Joint Venture Companies and Subsidiaries of NTPC
- Quarterly report on Compliance of various laws
- Non-compliance of any regulatory, statutory or listing requirements and shareholders services such as non-payment of dividend, delay in share transfer, etc.
- Appointment of Key Managerial Personnel and information on recruitment and promotion of senior officers to the level of Executive Director which is just below the Board level and Company Secretary
- Any significant development in Human Resources/Industrial Relations like signing of wage agreement, implementation of Voluntary Retirement Scheme, etc.
- Information relating to major legal disputes
- Highlights of important events from last meeting to the current meeting
- Any other information required to be presented to the Board for information or approval

3. COMMITTEES OF THE BOARD OF DIRECTORS

The Board has established the following Committees:-

- i) Audit Committee.
- ii) Stakeholders' Relationship Committee
- iii) Remuneration Committee for PRP
- iv) Nomination and Remuneration Committee
- v) Committee on Management Controls.
- vi) Project Sub-Committee
- vii) Investment/Contribution Sub-Committee
- viii) Contracts Sub-Committee.
- ix) Committee of Functional Directors for Contracts
- x) Committee of the Board for Allotment and Post-Allotment activities of NTPC's Securities

- xi) Corporate Social Responsibility and Sustainability Committee
- xii) Committee for Vigilance Matters
- xiii) Committee for Review of Coal Mining Activities
- xiv) Committee for Review of Coal Import Policy
- xv) Exchange Risk Management Committee
- xvi) Committee of Directors for Inorganic Growth
- xvii) Risk Management Committee

3.1 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

1. 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.
2. Provide an open avenue of communication between the independent auditors, internal auditors and the Board of Directors.
3. Approval or any subsequent modification of transactions of the company with related parties
4. Scrutiny of inter-corporate loans and investments
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. 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;
 - g. Qualifications in the draft audit report.
7. Noting the appointment and removal of independent auditors. Recommending audit fee of independent auditors and also approval for payment for any other service.
8. Recommending to the Board the appointment and remuneration of the cost auditors of the Company.
9. Review of observations of C&AG including status of Government Audit paras.
10. 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.
11. Valuation of undertakings or assets of the company, wherever it is necessary
12. Evaluation of internal financial controls and risk management systems.

13. 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.
14. To review the functioning of the Whistle Blower mechanism.
15. 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.
16. To review the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.
17. 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.
18. 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.
19. 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.
20. 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.
21. 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.
22. 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.
 - b) Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.
23. Review of appointment and removal of the Chief Internal Auditor.
24. Reviewing, with the management, the performance of the internal auditors and of the independent auditors and effectiveness of the audit process.
25. Review of internal audit observations outstanding for more than two years.
26. 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:

- i) Four independent Directors to be nominated by the Board from time to time.

- ii) 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 31st March 2015, the Audit Committee comprised the following members:-

Dr. Alwyn Didar Singh	Independent Director Chairman
Shri Prashant Mehta	Independent Director
Dr. Pradeep Kumar	Government Nominee

Director (Finance), Head of Internal Audit Department and the Statutory Auditors are invited to the Audit Committee Meetings for interacting with the members of the Committee. Besides, Cost Auditors of the Company are also invited to the meetings of the Audit Committee as and when required. Senior functional executives are also invited as and when required to provide necessary inputs to the Committee.

The Company Secretary acts as the Secretary to the Committee.

Meetings and Attendance

During the financial year 2014-15, ten meetings of the Audit Committee were held. The first meeting was held on April 25 and subsequently meetings on May 15, July 11, July 31, August 25, October 31, November 27, December 23 2014, January 30 and February 26, 2015.

The details of the meetings of Audit Committee attended by the members are as under:-

Members of Audit Committee	Meetings held during their tenure	Meetings attended
Shri S.B. Ghosh Dastidar (upto 25.08.2014)	5	5
Shri R.S. Sahoo (upto 25.08.2014)	5	4
Shri A.N. Chatterji (upto 27.02.2015)	10	9
Ms. H.A. Daruwalla (upto 27.02.2015)	10	10
Dr. Pradeep Kumar	10	7
Shri S.R. Upadhyay (upto 19.01.2015)	3	3
Dr. A. Didar Singh (w.e.f. 10.09.2014)	5	3
Shri Prashant Mehta (w.e.f. 30.01.2015)	1	1

Shri S. B. Ghosh Dastidar, Independent Director chaired the Meetings of the Audit Committee held during from 1st April to 25th August 2014 and Shri A.N. Chatterjee, Independent Director chaired the Meetings of the Audit Committee held during 26th August 2014 to 27th February 2015. Chairman of the Audit Committee was also present in the Annual General Meeting, held on 27.08.2014, to answer the queries of the shareholders.

Director (Finance) was present in all Audit Committee Meetings held during the year under review as invitees as per requirement of Listing Agreement. Head of Internal Audit was present in eight Meetings out of ten Meetings of the Audit Committee held during the year.

3.2 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:

- i) Two non-Executive Directors
- ii) Director (Finance), NTPC
- iii) Director (HR) or Director (Technical), NTPC

Composition

Due to insufficient number of Independent Directors on the Board, as on 31st March 2015, this committee comprised the following Directors:

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

Meeting and Attendance

During the financial year 2014-15, four meetings of the Stakeholders' Relationship Committee were held on May 15, September 29, November 28, 2014 and January 30, 2015.

The detail of the meetings of Stakeholders' Relationship Committee attended by the Members is as under:-

Members of Shareholders' / Investors' Grievance Committee	Meetings held during their tenure	Meetings attended
Dr. Pradeep Kumar (upto 10.09.2014)	1	1
Ms. H.A. Daruwalla (upto 27.02.2015)	4	4
Shri U.P. Pani	4	4
Shri K. Biswal	4	4
Prashant Mehta (w.e.f. 10.09.2014)	3	3

Name and Designation of Compliance Officer

Shri A.K. Rastogi, Company Secretary is the Compliance Officer in terms of Clause 47 of the Listing Agreement.

Investor Grievances

During the financial year ending 31st March 2015, Company has attended its investor grievances expeditiously except for the cases constrained by disputes or legal impediments. The

details of the complaints received, resolved and disposed off during the year are as under:

Particulars	Opening Balance	Received	Resolved	Pending
SEBI / Stock Exchange complaints	1	24	25	0
Other Dividend related complaints	0	5,158	5,158	0
Other complaints	1*	0	0	1*
Total	2	5,182	5,183	1*

*Consumer forum case

As a matter of good corporate governance practice, grievance relating to Public Issue of Tax Free Bonds - 2013 were also put up to Stakeholders' Relationship Committee. The details of the complaints received, resolved and disposed off during the year are as under:

Particulars	Opening Balance	Received	Resolved	Pending
Complaints relating to Public Issue of Tax Free Bonds - 2013	10	247	257	0

Number of Pending Share Transfers

As on 31st March, 2015, one request for 183 shares was pending, which was approved in the meeting held on April 6, 2015.

Share Transfers have been affected during the year well within the time prescribed by the Stock Exchanges and a certificate to this effect duly signed by a Practising Company Secretary has been furnished to Stock Exchanges.

SCORES – Automated System of Lodging Complaints Against Listed Companies

Securities and Exchange Board of India has a web based complaints redressal system namely 'SCORES (SEBI Complaints Redress System)', through which a shareholder can lodge a complaint against a company for his/ her grievances. The status of every complaint can be viewed online and the shareholder can send reminder for the complaints. When the complaint is registered, a unique complaint registration number is allotted for future reference and tracking. The concerned entity (intermediary or listed company) takes actions for the redressal of the complaints and uploads Action Taken on the complaint. The concerned entity (intermediary or listed company) or an investor can seek and provide clarifications online to each other. SEBI disposes the complaints if it is satisfied that the complaint has been redressed adequately.

An investor, who is not familiar with SCORES or does not have access to SCORES, can lodge the complaints in physical form.

Through this system, the investors are able to check the status of the complaints i.e. with whom the complaint is pending, upon whom the responsibility has been fixed and for how much time the complaint has been pending. SCORES saved considerable time of the Company in resolving the complaints, thereby benefitting investors.

3.3 REMUNERATION COMMITTEE FOR PRP

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 31st March 2015, the Committee comprised the following Members:

Dr. A. Didar Singh	Independent Director
Shri Prashant Mehta	Independent Director
Position Vacant	Independent Director

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

Meeting and Attendance

One meeting of Remuneration Committee for PRP was held during the year on August 26, 2014.

The detail of the meetings of Remuneration Committee attended by the Members is as under:-

Members of Remuneration Committee	Meetings held during their tenure	Meetings attended
Shri Ajit M. Nimbalkar (upto 19.01.2015)	1	1
Shri S.R. Upadhyay (upto 19.01.2015)	1	1
Shri A.N. Chatterji (upto 27.02.2015)	1	1
Dr. Alwyn Didar Singh (w.e.f. 30.01.2015)	NA*	NA*
Shri Prashant Mehta (w.e.f. 30.01.2015)	NA*	NA*

*No meeting of the Committee was held after their induction in the Committee.

3.4 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.

NTPC, 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 31st March 2015, the Committee comprised the following Members:

Dr. Arup Roy Choudhury,	Chairman & Managing Director
Dr. Alwyn Didar Singh	Independent Director
Shri Prashant Mehta	Independent Director
Shri A.K. Singh	Government Nominee Director

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

Meeting and Attendance

No Meeting of Nomination and Remuneration Committee was held during the year 2014-15.

3.5 COMMITTEE ON MANAGEMENT CONTROLS

On being conferred enhanced autonomy by the Government of India under 'Navratna/ Maharatna Guidelines', this committee was constituted for establishing transparent and effective system of internal monitoring. This Committee, inter alia, reviews the Management Control Systems, significant deviations in project implementation and construction, operation and maintenance budgets etc. It also reviews and approves the manual/ criteria for various systems of the organisation from time to time.

As on 31st March, 2015, the Committee comprised the following Directors:

Shri K. Biswal	Director (Finance)
Shri K.K. Sharma	Director (Operations)
Dr. Pradeep Kumar	Government Nominee
Shri Prashant Mehta	Independent Director

3.6 PROJECT SUB-COMMITTEE

This Committee examines and makes recommendations to the Board on proposals for Investment in New/Expansion Projects and approves Feasibility Reports of new projects.

As on 31st March 2015, the Committee comprised the following members:

Dr. Arup Roy Choudhury	Chairman & Managing Director
Shri I.J. Kapoor	Director (Commercial)
Shri A.K. Jha	Director (Technical)
Shri S.C. Pandey	Director (Projects)
Shri K. Biswal	Director (Finance)
Shri K.K. Sharma	Director (Operations)
Dr. Pradeep Kumar	Government Nominee
Shri A.K. Singh	Government Nominee
Dr. Alwyn Didar Singh	Independent Director

3.7 INVESTMENT/CONTRIBUTION COMMITTEE

The terms of reference of Investment/Contribution Committee of the Board is to approve deployment of surplus funds as per Govt. guidelines issued from time to time and also to approve

contribution/donation for national, public, benevolent or charitable cause.

As on 31st March 2015, the Committee comprised the following Members:

Dr. Arup Roy Choudhury	Chairman & Managing Director
Shri K. Biswal	Director (Finance)
Shri K.K. Sharma	Director (Operations)

In case of investment of funds and contribution matters, Director (HR) and in case of Commercial matters, Director (Commercial) are co-opted in the meeting.

3.8 CONTRACTS SUB-COMMITTEE

This Committee approves award of works or purchase contracts or incurring commitments of value exceeding ₹250 crore but not exceeding ₹500 crore, Consultancy assignments including foreign consultancy assignments exceeding ₹5 crore each and Appointment of Sponsor/ Agents for Overseas Consultancy Assignments involving sponsorship/ agency commission exceeding ₹5 crore each.

As on 31st March 2015, the Contracts Sub-Committee comprised the following members:

Dr. Arup Roy Choudhury	Chairman & Managing Director
Shri A.K. Jha	Director (Technical)
Shri S.C. Pandey	Director (Projects)
Shri K. Biswal	Director (Finance)
Shri K.K. Sharma*	Director (Operations)
Dr. Pradeep Kumar	Government Nominee
Shri A.K. Singh	Government Nominee

*Director (Operations) is the additional member for all matters relating to award of contracts for import of coal.

3.9 COMMITTEE OF FUNCTIONAL DIRECTORS FOR CONTRACTS

This Committee has been constituted for award of works or purchase contracts or incurring of commitments exceeding Rs. 150 crore but not exceeding Rs. 250 crore.

As on 31st March 2015, the Committee comprised all the Functional Directors including the Chairman & Managing Director as under:

Dr. Arup Roy Choudhury	Chairman & Managing Director
Shri I.J. Kapoor	Director (Commercial)
Shri A.K. Jha	Director (Technical)
Shri U.P. Pani	Director (HR)
Shri S.C. Pandey	Director (Projects)
Shri K. Biswal	Director (Finance)
Shri K.K. Sharma	Director (Operations)

The Chairman & Managing Director, Director (Finance), Director (Technical) and Director (Projects) for contracts related to construction projects shall constitute the quorum for meeting of the Committee. The Chairman & Managing Director, Director (Finance), Director (Technical) and Director (Operations) for contracts related to operating stations shall constitute the quorum for meeting of the Committee.

3.10 Committee for Allotment and Post-Allotment Activities of NTPC'S Securities

The Committee has been constituted for Allotment and Post-allotment activities of Company's Securities. The scope of work of this committee is to approve allotment, issue of Certificate/ Letter of allotment, transfer, transmission, re-materialisation, issue of duplicate certificates, consolidation/split of NTPC's domestic and foreign Securities.

As on 31st March 2015, the Committee comprised the following three Members:

Shri I.J. Kapoor/ Shri U.P. Pani	Director (Commercial)/ Director (HR)
Shri K. Biswal / Shri K.K. Sharma	Director(Finance)/ Director (Operations)
Shri A.K. Jha/ Shri S.C. Pandey	Director (Technical)/ Director (Projects)

3.11 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 31st March 2015, the Committee comprised the following members:

Dr. Arup Roy Choudhury	Chairman & Managing Director
Shri U.P. Pani	Director (HR)
Shri K. Biswal	Director (Finance)
Dr. Pradeep Kumar	Government Nominee
Dr. Alwyn Didar Singh	Independent Director

The Company has formulated a NTPC Policy for CSR and Sustainability. The same is available at the weblink: <http://www.ntpc.co.in/en/corporate-citizenship/corporate-social-responsibility>

3.12 COMMITTEE FOR VIGILANCE MATTERS

This Committee has been constituted to examine all the petitions which are submitted before the Board as appellate/ reviewing authority in terms of CDA rules. It also reviews other major complaints as referred to it from time to time other than complaints registered under whistle blower mechanism under purview of Chief Vigilance Officer.

As on 31st March 2015, the Committee comprised the following members:

Dr. A. Didar Singh	Independent Director
Shri U.P. Pani	Director (HR)*
Shri Prashant Mehta	Independent Director
In case of Vigilance cases, Chief Vigilance Officer is co-opted.	

*In case where Director (HR) has acted as a Disciplinary Authority, any other whole-time Director to be decided by the Chairman & Managing Director on case to case basis.

3.13 COMMITTEE FOR REVIEW OF COAL MINING ACTIVITIES

This Committee looks into various aspects relating to coal mining. Earlier, the Committee for Mine Development was looking into these aspects which has now been undertaken by this Committee.

As on 31st March 2015, the Committee comprised the following members:

Shri U.P. Pani	Director (HR)
Shri K. Biswal	Director(Finance)
Shri K.K. Sharma	Director (Operations)

3.14 COMMITTEE FOR REVIEW OF COAL IMPORT POLICY

This Committee has been constituted to examine the evolution of Coal Import Policy since 2009 onwards, identify reasons for changes made in Policy from time to time, chart out future course of action and finalise Coal Import Policy

As on 31st March 2015, the Committee comprised the following Members:

Shri K. Biswal	Director(Finance)
Shri K.K. Sharma	Director (Operations)
Dr. Pradeep Kumar	Government Nominee Director
Shri Prashant Mehta	Independent Director

3.15 EXCHANGE RISK MANAGEMENT COMMITTEE

This Committee has been constituted to review the foreign currency loan portfolio, hedged and un-hedged exposures and effectiveness of hedging strategy, approve amendments in Exchange Risk Management Policy, new instruments etc.

As on 31st March, 2015, the Committee comprised the following Members:

Dr. Arup Roy Choudhury	Chairman & Managing Director
Shri I.J. Kapoor	Director (Commercial)
Shri K. Biswal	Director (Finance)
Position Vacant	Independent Director
Position Vacant	Independent Director

In the absence of Director (Commercial), either Director (Technical) or Director (Operations) shall be the Member of the Meeting.

As the composition of the Exchange Risk Management Committee provides that there shall be two Independent Directors, the Board, in its Meeting held on 28.04.2015, inducted Dr. A. Didar Singh and Shri Prashant Mehta, Independent Directors as the Members of this Committee. The Board also inducted Dr. Pradeep Kumar, Government Nominee Director as the Member of the Committee.

3.16 COMMITTEE OF DIRECTORS FOR INORGANIC GROWTH

This Committee has been constituted in the financial year 2014-15 to guide the Board in the process of collection of data, evaluation, due diligence in respect of proposed acquisition of certain distressed Thermal Power Projects and for making recommendations for acquisition of assets.

As on 31st March, 2015, the Committee comprised the following Members:

Shri I.J. Kapoor	Director (Commercial)
Shri A.K. Jha	Director (Technical)
Dr. A. Didar Singh	Independent Director

3.17 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 ERMC, 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 31st March, 2015, the Committee comprised the following Members:

Shri A.K. Jha	Director (Technical)
Shri S.C. Pandey	Director (Projects)
Shri K.K. Sharma	Director (Operations)
Shri A.K. Ahuja	Executive Director (CP)/ Chief Risk Officer(CRO), Member
Shri 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.

4. REMUNERATION OF DIRECTORS

As already stated under the heading Remuneration Committee above, the remuneration of the Functional Directors including the Chairman & Managing Director is decided by the Government of India. The Company makes payment of ₹20,000/- as sitting fee for attending each meeting of the Board and Committees of the Board constituted by the Board from time to time to each Independent Director.

Details of remuneration of Functional Directors for the financial year 2014-15 are given below:-

(in Rupees)

Name of the Director	Salary	Benefits	Performance Linked Incentives*	Total
Dr. Arup Roy Choudhury	22,55,932.00	11,13,757.00	16,74,383.00	50,44,072.00
Shri I.J. Kapoor	22,12,759.00	22,23,818.00	11,95,022.00	56,31,599.00
Shri N.N. Misra (upto 31.10.2014)	33,33,776.00	19,55,110.00	10,99,103.00	63,87,989.00
Shri A.K. Jha	20,26,467.00	16,43,580.00	11,31,652.00	48,01,699.00
Shri U.P. Pani	21,56,475.00	10,27,850.00	11,14,523.00	42,98,848.00
Shri S.C. Pandey	19,44,410.00	9,97,378.00	7,77,772.00	37,19,560.00
Shri K. Biswal	19,06,391.00	12,24,270.00	3,89,785.00	35,20,446.00
Shri K.K. Sharma (w.e.f. 01.11.2014)	8,46,329.00	6,48,566.00	69,147.00	15,64,042.00

*Performance linked incentives paid is based on the incentive scheme of the Company. The Company has not issued any stock options during the financial year 2014-15.

Details of payments towards sitting fee to Independent Directors during the financial year 2014-15 are given below:

(in Rupees)

Name of Part-time non-official Directors	Sitting Fees (Excluding Service Tax)		Total
	Board Meeting	Committee Meeting	
Shri S.B. Ghosh Dastidar (upto 25.08.2014)	1,00,000	2,00,000	3,00,000
Shri R.S. Sahoo (upto 25.08.2014)	1,00,000	2,60,000	3,60,000
Shri Ajit M. Nimbalkar (upto 19.01.2015)	1,80,000	1,40,000	3,20,000
Shri 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
Shri A.N. Chatterji (upto 27.02.2015)	2,20,000	3,80,000	6,00,000
Prof. Sushil Khanna (upto 27.02.2015)	2,00,000	4,20,000	6,20,000
Dr. A. Didar Singh	1,80,000	1,80,000	3,60,000
Shri Prashant Mehta	2,40,000	1,60,000	4,00,000

5 FAMILIARIZATION PROGRAMME FOR DIRECTORS

The Board of Directors have the responsibility of strategic supervision of the Company and undertake periodic review of various matters including performance of various operating stations, construction of power projects, capacity expansion programme in line with targets set-up by Ministry of Power, resource mobilisation, etc. In order to fulfil this role, the Directors undergo training from time to time. The Board of Directors are fully briefed about their roles, rights, responsibilities in the Company and on all business related matters, risk assessment and mitigating procedures and new initiatives proposed by the Company. Directors are also briefed on changes/developments in Indian as well as international corporate and industry scenario including those pertaining to the statutes/legislation and economic environment. In addition, Directors are being imparted training organised by the Company and other agencies/ institutions etc which enables them to appreciate specific requirements of Power Sector as well as those of the Company. The Board has approved Training Policy for its members which aims at building leadership qualities and providing a platform to share the knowledge, skills and experience gained by the Directors. The same is available at the weblink: <http://www.ntpc.co.in/en/investors/policy>

6. ACCOUNTABILITY OF DIRECTORS

An annual Memorandum of Understanding (MoU) is entered into by the Company with Govt. of India (GoI) in the beginning of the year setting the targets against financial and non-financial parameters with weightages decided in consultation with GoI. The performance of the Company is measured at the end of the year vis-à-vis these targets.

The performance with regard to MOU is reviewed regularly within the Company on monthly basis and by Ministry of Power on quarterly basis through Quarterly Performance Review (QPR). Slippages, if any, are identified and necessary remedial actions are suggested in these forums.

At the end of each financial year, the MoU achievements report is furnished to Ministry of Power and performance of the Company is evaluated by Ministry of Power and the Task Force of Department of Public Enterprises on the basis of actual achievements vis-à-vis the signed MoU.

To ensure targets as set in MoU are achieved well within schedule, the Company has a strong "Internal MoU" system specifying tighter targets drilled down at regional and station level with suitable stretch and expansion of activities. The entire process ensures transparency as well as accountability towards stakeholders.

7. SUBSIDIARY MONITORING FRAMEWORK

The Company has four subsidiary companies, the list of which is furnished in the Directors' Report. All subsidiaries of the Company are Board managed with their Boards having the rights and obligations to manage such companies in the best interest of the stakeholders. As a majority shareholder, the Company nominates its representatives on the Boards of subsidiary companies and monitors the performance of such companies periodically.

Performance of the subsidiary companies is reviewed by the Board of the Company in the following manner:

- Minutes of the meetings of the Board of Directors of the subsidiaries are placed before the Company's Board periodically.
- A statement of all significant transactions and arrangements entered into by the subsidiary companies are also reviewed by the Company.
- A Report on business activities of Subsidiary which, inter-alia, includes investments made in the subsidiary is being presented to the Board of NTPC in each quarter.
- Subsidiary Companies sign an annual Memorandum of Understanding with NTPC in the beginning of the year setting the targets in financial and non-financial areas with weightages in consultation with NTPC, which is submitted to DPE. At the end of the financial year, the actual performance vis-à-vis the targets set is evaluated by DPE.
- Certain decision as mentioned in the Articles of Association of the subsidiary companies can only be taken if they are approved by the Board of NTPC.

The Company has formulated a Policy for determining 'Material' Subsidiaries as per Clause 49 (V) of the Listing Agreement.

The same is available at the weblink: <http://www.ntpc.co.in/en/investors/policy>

For the year 2014-15, the Company has no 'Material Subsidiary' as defined in the Clause 49 (V) of the Listing Agreement or the subsidiaries as defined under Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises, Govt. of India.

8. GENERAL BODY MEETINGS ANNUAL GENERAL MEETING

Date, time and location where the last three Annual General Meetings were held are as under:

Date & Time	September 18, 2012	September 17, 2013	August 27, 2014
Time	10.30 A.M.	10.30 A.M.	10.30 A.M.
Venue	Air Force Auditorium, Subroto Park, New Delhi - 110 010	Manekshaw Centre, Parade Road, New Delhi - 110010	Manekshaw Centre, Parade Road, New Delhi - 110010
Special Resolution	Amendments in the Articles of Association by inserting provisions relating to buy-back of shares and appointment of additional directors.	-	Authorization to Board to raise funds upto ₹13,000/- Crore through issue of secured/ unsecured, redeemable, taxable/ tax-free, cumulative/ non-cumulative, non-convertible Bonds/ Debentures on Private Placement Basis in one or more tranches and authorising the Board to decide the terms and conditions of the Issue.

The Annual General Meeting, held on 27.08.2014, was attended by Partners of five Statutory Auditors firms out of six Statutory Auditors firms and the Scrutiniser for E-voting and Polling at AGM.

Special Resolution passed through Postal Ballot

Following Resolution were passed through Postal Ballot during the year:

- To authorize the Board of Directors to borrow money for the purposes of the business of the Company (capacity addition program) exceeding the paid-up capital and its free reserves of the Company, subject to maximum ceiling of ₹1,50,000 Crore under section 180(1)(c) of the Companies Act, 2013.
- To authorize the Board of Directors, under section 180(1)(a) of the Companies Act, 2013, to create charges, mortgages and hypothecations in addition to existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, for securing the borrowings availed/to be availed by the Company.

No special resolution requiring Postal Ballot is being proposed at the ensuing Annual General Meeting.

In accordance with Clause 35B of the Listing Agreement, e-voting facility was provided to the shareholders, in respect

of shareholders' resolutions, passed at the AGM held on 27.08.2014 and passed through Postal Ballot. The Company also provided facility to the shareholders, who did not have access to e-voting, to send their assent or dissent in writing on a postal ballot form. The members who could not exercise their vote through e-voting process were provided facility to vote at the Annual General Meeting by way of polling instead of voting by show of hands.

Meeting of Equity Shareholders of the Company Convened as per the Order of Ministry of Corporate Affairs on February 10, 2015 :

Pursuant to the Order of the Hon'ble Ministry of Corporate Affairs, a meeting of the equity shareholders of NTPC Limited was convened on Tuesday, 10th February, 2015 at 3.00 P.M. at Yugantar Auditorium, Badarpur Thermal Power Station, NTPC Limited, Mathura Road, New Delhi- 110 044 for considering and approving the Scheme of Arrangement between NTPC Limited and its Members for issue of Secured, Non-Cumulative, Non-Convertible, Redeemable, taxable fully paid up Bonus Debentures out of free reserves to its members. The details of issue of Bonus Debentures are at Point No. 14 (xiii).

9. DISCLOSURES

Under the Clause 49 of the Listing Agreement, all related party transactions require approval of the Audit Committee. Further, all material Related Party Transactions shall require approval of the shareholders through special resolution.

As per section 188 of the Companies Act, 2013, certain contract/ arrangement with related party requires approval of the Board of Directors. Further, if these transactions cross the limit prescribed under the Rules, the approval of Shareholder through special resolution is required.

The Company has formulated a Policy on Materiality of Related Party Transactions and also on Dealing with Related Party Transactions.

The same is available at the weblink: <http://www.ntpc.co.in/en/investors/policy>

The transactions with related parties are included in the Notes to the Accounts as per Accounting Standard (AS) -18 notified under the Companies (Accounting Standards) Rules, 2006.

The details of Related Party Transactions are given in form AOC-2 forming part of Board's Report.

The Company has broadly complied with all the requirements of the Listing Agreement with Stock Exchanges as well as Regulations and Guidelines prescribed by SEBI, the Companies Act, 2013 and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises, Government of India except as mentioned in para 2 of this Report.

There were no penalties or strictures imposed on the Company by any statutory authorities for non-compliance on any matter related to capital markets, during the last three years.

The Company has adopted all suggested items to be included in the Report on Corporate Governance. Information on adoption (and compliance) / non-adoption of the non-mandatory requirements is at Annex-I.

Schedule of Compliances with Presidential Directive issued during the financial year 2014-15 and during last three years preceding the financial year 2014-15 is at Annex-II.

CEO/CFO Certification

As required by Clause 49 of the Listing Agreement(s), the certificate duly signed by Dr. Arup Roy Choudhury, Chairman & Managing Director and Shri K. Biswal, Director (Finance)

was placed before the Board of Directors at the meeting held on 29.05.2015 and is annexed to the Corporate Governance Report.

10. MEANS OF COMMUNICATION

The Company communicates with its shareholders through its Annual Report, General Meetings and disclosures through its Website.

The Company also communicates with its institutional shareholders through a combination of analysts briefing and individual discussions and also participation in investor conferences from time to time. Annual analysts and investors meet is held during the month of August where Board of the Company interacts with the investing community. Financial results are discussed by way of conference calls regularly after the close of each quarter.

Information and latest updates and announcement regarding the Company can be accessed at company's website: www.ntpc.co.in including the following:-

- Quarterly/ Half-yearly/ Annual Financial Results
- Quarterly Shareholding Pattern
- Quarterly Corporate Governance Report
- Transcripts of conferences with analysts
- Corporate Disclosures made from time to time to the Stock Exchanges

The Company's official news releases, other press coverage, presentations made to institutional investors or to the analysts are also hosted on the Website.

Quarterly Results have been published as per details given below:

Newspapers	Date of publication of financial results for the quarter ended		
	30.06.2014	30.09.2014	31.12.2014
The Times of India	01.08.2014	01.11.2014	31.01.2015
Hindustan Times	01.08.2014	01.11.2014	31.01.2015
Hindustan (Hindi)	01.08.2014	01.11.2014	31.01.2015
Amar Ujala (Hindi)	01.08.2014	01.11.2014	31.01.2015

In order to save trees and environment by cutting down the consumption of costly paper habits, our Company has sent the Annual Reports for the financial year 2013-14 and other communications like ECS credit information for final and interim dividend to large number of shareholders for the financial year 2013-14 and 2014-15 respectively through e-mail of the shareholders registered with NSDL/ CDSL after seeking their consent to send the annual reports/ other communications through e-mail.

Through e-mails, the Company had sent 3,68,247 number of Annual Reports, 3,44,149 number of ECS credit information for final dividend for the financial year 2013-14 and 3,42,482 number of ECS credit information for interim dividend for the financial year 2014-15 to the shareholders.

11. CODE OF CONDUCT

The Company has in place Code of Conduct for Directors and Senior Management Personnel (Coode) in alignment with Company's Vision and Values to achieve the Mission & Objectives and aiming at enhancing ethical and transparent

process in managing the affairs of the Company. This CODE is applicable to all the Board Members including Government Nominee & the Independent Directors and the Senior Management Personnel. During the year, this CODE was amended to incorporate the duties of the Directors and specific duties of the Independent Directors. A copy of the Code of Conduct is available at the website of the Company at the weblink:

<http://www.ntpc.co.in/en/investors/code-of-conduct>

Declaration as required under clause 49 of the listing Agreement

All the members of the Board and Senior Management Personnel have affirmed compliance of the Code of Conduct for the financial year ended on March 31, 2015.
New Delhi (Dr. Arup Roy Choudhury)
07.05.2015 Chairman & Managing Director

12. CODE OF INTERNAL PROCEDURES AND CONDUCT FOR PREVENTION OF INSIDER TRADING

In pursuance of the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, the Board has laid down "Code of Internal Procedures and Conduct for Prevention of Insider Trading" with the objective of preventing purchase and/or sale of shares of the Company by an Insider on the basis of unpublished price sensitive information. Under this Code, Insiders (Designated Employees and their dependents) are prevented to deal in the Company's shares during the closure of Trading Window. To deal in Securities beyond limits specified, permission of Compliance Officer is required. All Directors/ Designated Employees are also required to disclose related information periodically as defined in the Code, which in turn is being forwarded to Stock Exchanges, wherever necessary. Company Secretary has been designated as Compliance Officer for this Code.

13. WHISTLE BLOWER POLICY

The Company has a Board approved 'Whistle Blower Policy' for directors and employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. It also provides safeguards against victimization of employees, who avail of the mechanism and for direct access to the Chairman of the Audit Committee.

The same is available at the weblink: <http://www.ntpc.co.in/en/vigilance>

14. SECURITYHOLDERS' INFORMATION

i) Annual General Meeting

Date : September 18, 2015

Time : 10.30 a.m.

Venue : Manekshaw Centre Parade Road, New Delhi - 110010

ii) Financial Calendar for FY 2015-16

Particulars	Date
Accounting Period	April 1, 2015 to March 31, 2016
Unaudited Financial Results for the first three quarters	Announcement within stipulated period under the Listing Agreement
Fourth Quarter Results	Announcement of Audited Accounts on or before May 30, 2016
AGM (Next year)	August 2016 (Tentative)

iii) **Book Closure**

The Register of Members and Share Transfer Books of the Company will remain closed from September 7, 2015 to September 18, 2015 (both days inclusive).

iv) **Payment of Dividend**

The Board of Directors of the Company has recommended payment of final Dividend of ₹1.75 per share (17.5 % on the paid-up share capital) for the financial year ended March 31, 2015 in addition to the Interim Dividend of ₹0.75 per share (7.5% on the paid-up share capital) paid on February 13, 2015 (Dividend paid in Previous Year is ₹4,741.15 Crore). The record date for the payment of Dividend is September 4, 2015.

v) **Dividend History**

Year	Total paid-up capital (₹ in crore)	Total amount of dividend paid (₹ in crore)	Date of AGM in which dividend was declared	Date of payment of Dividend (Interim and Final)
2009-10	8245.46	3133.28	13.03.2010* 23.09.2010	23.03.2010 01.10.2010
2010-11	8245.46	3133.28	31.01.2011* 20.09.2011	14.02.2011 26.09.2011
2011-12	8245.46	3298.19	27.01.2012* 18.09.2012	09.02.2012 25.09.2012
2012-13	8245.46	4741.16	26.02.2013* 17.09.2013	12.03.2013 27.09.2013

2013-14	8245.46	4741.15	28.01.2014* 27.08.2014	10.02.2014 09.09.2014
2014-15	8245.46	618.41#	30.01.2015*	13.02.2015

* Date of Board Meeting in which interim dividend was declared

amount represents the interim dividend paid for the year 2014-15

vi) **Listing on Stock Exchanges**

NTPC equity shares are listed on the following Stock Exchanges:

National Stock Exchange of India Limited Address: Exchange Plaza, Plot No. C/1, G Block, Bandra (E), Mumbai - 400051 Scrip Code of NTPC: NTPC EQ	BSE Limited Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 Scrip Code of NTPC: 532555
---	--

Stock Code : ISIN – INE733E01010

The Annual Listing Fee for the financial year 2015-16 was paid to both National Stock Exchange of India Limited and BSE Limited before April 30, 2015. Also, the Annual Custodian Fee for the financial year 2015-16 shall be paid to both Depositories i.e. Central Depository Services (India) Limited and National Securities Depository Limited within due date.

vii) **Market Price Data**

Market Price Data: High, Low during each month in the financial year 2014-15												
Months	BSE				NSE				MARKET CAPITALISATION		MARKET INDEX	
	HIGH	LOW	CLOSE PRICE	VOLUME	HIGH	LOW	CLOSE PRICE	VOLUME	BSE	NSE	SENSEX	NIFTY
	(in ₹)	(in ₹)	(in ₹)	(No. of Shares as at the close of the Month)	(in ₹)	(in ₹)	(in ₹)	(No. of Shares as at the close of the Month)	(₹ in crore)	(₹ in crore)		
April 2014	125.85	115.50	116.25	7781256	118.95	115.35	116.35	8093442	95853.52	95935.98	22417.8	6696.40
May 2014	167.55	113.60	159.85	39578564	163.80	152.90	160.50	61623986	131803.75	132339.70	24217.34	7229.95
June 2014	168.80	150.05	155.90	20915680	156.80	152.95	156.20	5545422	128546.79	128794.15	25413.78	7611.35
July 2014	163.00	142.80	145.00	18493791	149.80	144.10	145.05	12620263	119559.23	119600.46	25894.97	7721.30
Aug 2014	145.80	135.10	137.70	8228748	140.00	136.85	137.4	8078129	113540.04	113292.68	26638.11	7954.35
Sep 2014	143.90	131.80	138.65	8196752	139.50	138.00	139.10	6151573	114323.36	114694.41	26630.51	7964.80
Oct 2014	150.90	137.95	149.95	8006658	150.90	146.25	150.10	5129216	123640.74	123764.42	27865.83	8322.20
Nov 2014	150.10	139.40	142.60	4100493	143.25	140.85	142.70	8152538	117580.32	117662.78	28693.99	8588.25
Dec 2014	144.80	126.80	144.10	6233683	144.85	141.05	144.00	3824882	118817.14	118734.69	27499.42	8282.70
Jan 2015	147.35	137.30	143.80	6727772	147.40	142.10	143.65	18591570	118569.78	118446.10	29182.95	8808.90
Feb 2015	161.00	136.75	155.75	11354545	161.00	151.65	155.90	6465931	128423.11	128546.79	29361.50	8901.85
Mar 2015	164.70	142.70	147.35	18440087	148.50	144.90	146.85	6997714	121496.92	121084.64	27957.49	8491.00

viii) Performance in comparison to indices
NSE NIFTY and NTPC Share Price



Base= 100 as on 01.04.2014

BSE SENSEX and NTPC Share Price



Base= 100 as on 01.04.2014

Section 197(1) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, inter-alia, requires that the following information is required to be given in the Board's Report:

Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year. As such, the information is furnished as under:

1. Variations in the Market Capitalization

Market Capitalization as on	31.03.2014	31.03.2015	Variations
Nos. of Shares	8,24,54,64,400	8,24,54,64,400	-
BSE Closing Price (₹)	119.35	147.35	23%
Market Capitalization (₹)	9,84,09,61,76,140	12,14,96,91,79,340	23%
Market Capitalization (₹ Crore)	98,409.62	1,21,496.92	23%

2. Variations in the Price Earnings Ratio

Price Earnings Ratio	31.03.2014	31.03.2015	Variations
EPS (2013-14) & (2014-15)	13.31	12.48	-0.06%
BSE Closing Price (₹)	119.35	147.35	23%
Price Earnings Ratio	8.97	11.81	32%

3. Variations in the market quotations of the shares in comparison to the rate at which the company came out with the last public offer

Market quotations of the shares	In (₹)
Issue Price (OFS as on 07.02.2013)*	146.43**
BSE Closing Price 31.03.2015	147.35
Variation	0.63%

*Weighted Average Clearing Price

** Government of India divested 9.5% of paid-up equity capital of the Company through Offer for Sale (Stock Exchange Mechanism). However, Company has not come out with any Public Offer since Financial Year 2004-05.

ix) (a) Registrar and Transfer Agent for Equity Shares, Tax Free Bonds (Series 50 - 1A,2A,3A,1B,2B,3B) and Bonus Debentures (Series 54)

Karvy Computershare Pvt. Ltd,
Karvy Selenium Tower-B, Plot No. 31 & 32,
Gachibowli Financial District, Nanakramguda,
Serilingampally, Hyderabad - 500 008
Phone No.: 040-67161518
Email: einward.ris@karvy.com

(b) Registrar and Transfer Agent For Bonds (Series 19 to 26)

MAS Services Ltd.,
T-34, 2nd Floor, Okhla Industrial Area Phase-II,
New Delhi-110020
Telephone: +91 011 26387281,82,83,
Fax: +91 011 26387384 Email: sm@masserv.com

(c) Registrar and Transfer Agent for Bonds (Series 13A, 13B, 16, 17, 27 to 49 and 51 to 53)

Beetal Financial & Computer Services (P) Ltd.,
99, Madangir,
Near Dada Harsukh Das Mandir, New Delhi - 110062
Telephone :+91 011 29961281, +91 011 29961282
Fax: +91 011 29961284,
Email : beetalrta@gmail.com

x) SHARE TRANSFER SYSTEM

Entire share transfer activities under physical segment are being carried out by Karvy Computershare Private Limited. The share transfer system consists of activities like receipt of shares along with transfer deed from transferees, its verification, preparation of Memorandum of Transfers, etc. Shares transfers are approved by Sub-Committee of the Board for Allotment and Post-Allotment activities of NTPC's Securities. Pursuant to clause 47-C of the Listing Agreement with Stock Exchanges, certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary have been submitted to Stock Exchange within stipulated time.

xi) Transfer of Unclaimed Amount of Dividend to Investor Education and Protection Fund (IEPF)

In accordance with Section 205C of the Companies Act, 1956, during the financial year 2014-15, an amount of ₹16.54 lakh pertaining to unclaimed final dividend amount for financial year 2006-07 and an amount of ₹ 67.33 lakh pertaining to unclaimed interim dividend amount for the financial year 2007-08 have been transferred to Investor Education and Protection Fund. Further, during the year an amount of ₹0.18 lac pertaining to matured deposits and interest thereon for the financial year 2007-08 has also been transferred to Investor Education and Protection Fund.

The Company has uploaded the details of shareholders/depositors of the Company containing information like name, address, amount due to be transferred to IEPF and due date of transfer of amount to IEPF on its website. The Company has been issuing notices in the newspapers from time to time in order to invite attention of the shareholders to submit their claims towards the unpaid and unclaimed dividend. Kindly note that no claim lies against the Company or IEPF once the dividend is deposited in IEPF.

xii) Offer for Sale of NTPC's Equity Shares by the Government of India to the Employees

Offer for Sale of NTPC's Equity Shares by the Government of India was made to the eligible employees of the Company in terms of CCEA's approval dated 26.11.2012 and Department of Disinvestment's communication dated 26.06.2013. The offer was opened from 28.05.2014 to 30.05.2014 and the allotment was made on 05.06.2014. A total of 34,83,320 shares were allotted to 3,407 employees.

Consequent upon sale of shares by Government of India to the employees, the equity holding of GOI reduced to 74.96% of the paid-up capital from 75%.

xiii) Issue of Secured, Non-Cumulative, Non-Convertible, Redeemable, taxable fully paid up Bonus Debentures out of free reserves to its members:

The Company has allotted one fully paid-up Bonus Debenture of face value of ₹12.50/- each for every one fully paid-up equity share of ₹10/- each held by a Member on the record date which was 23.03.2015, under the Scheme of Arrangement approved by the shareholders and the Ministry of Corporate Affairs. The total size of issue was 8,24,54,64,400 debentures amounting to ₹1,03,06,83,05,000/-. The allotment of the Bonus Debentures was made on 25.03.2015. These Debentures carry a coupon of 8.49% payable annually on 25th March every year till redemption. The Bonus Debenture have been listed on National Stock Exchange of India Limited and BSE Limited.

The door to door maturity of the Bonus Debentures is 10 years and the face value will be redeemed in three instalments, ₹2.50 per debenture at the end of 8th year, ₹5.00 per debenture at the end of 9th year and ₹5.00 per debenture at the end of 10th year respectively from the date of allotment.

Details of other debenture (bonds) issued and outstanding as at 31.03.2015 is furnished elsewhere in the Annual Report.

xiv) Debenture Trustees for various Series

- (a) For Series 13A, 13B, 16, 17, 19, 44 to 49, 50 (Public Issue), 53 and 54 (Bonus Debentures) IL & FS Trust Company Limited
The IL&FS Financial Centre,
Plot No. C-22,
G-Block, Bandra – Kurla Complex,
Bandra (East),
Mumbai – 400051
Tel: (+91 22) 26533908
Fax: (+91 22) 26533297

E-mail: itclcomplianceofficer@ilfsindia.com

Website: www.itclindia.com

(b) For Series 20-43 and 51-52

IDBI Trusteeship Services Limited

Address: Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,

Mumbai – 400 001

Tel : +91 22 4080 7000

Fax : +91 22 6631 1776

E-mail : itsl@idbitrustee.com

Website: http://www.idbitrustee.com

xv) Distribution of Shareholding

Shares held by different categories of shareholders and according to the size of holdings as on 31st March 2015 are given below:

According to Size

a. Distribution of shareholding according to size, % of holding as on 31st March, 2015:

Number of shares	Number of shareholders	% of shareholders	Total No. of shares	% of shares
1-5000	6,98,331	99.59	14,27,45,781	1.73
5001-10000	1,337	0.19	96,31,393	0.12
10001-20000	516	0.07	74,98,801	0.09
20001-30000	172	0.02	42,55,740	0.05
30001-40000	91	0.01	32,70,099	0.04
40001-50000	69	0.01	31,81,685	0.04
50001-100000	171	0.02	1,23,18,320	0.15
100001 and above	535	0.08	8,06,25,62,581	97.78
Total	7,01,222	100.00	8,24,54,64,400	100.00

b. Shareholding pattern on the basis of ownership:

Category	As on 31 st March, 2015		As on 31 st March, 2014		Change (%)
	Total no. of shares	Percentage to Equity	Total no. of shares	Percentage to Equity	
GOI	6,18,06,14,980	74.96	6,18,40,98,300	75.00	-0.04
FIs	85,22,29,725	10.34	76,93,39,713	9.33	1.01
Indian Public	15,91,95,945	1.93	16,60,56,467	2.01	-0.08
Banks & FI	90,13,14,976	10.93	78,79,35,450	9.56	1.37
Private Corp. Bodies	2,51,49,680	0.31	4,06,12,551	0.49	-0.18
Mutual Funds	6,19,17,461	0.75	9,94,62,368	1.21	-0.46
NRI	49,08,908	0.06	47,77,649	0.06	0.00
Others	6,01,32,725	0.73	19,31,81,902	2.34	-1.61
Total	8,24,54,64,400	100.00	8,24,54,64,400	100.00	0.00

c. Major Shareholders

Details of Shareholders holding more than 1% of the paid-up capital of the Company as on 31st March, 2015 are given below:

Name of Shareholder	No. of Shares	Percentage to Paid-up Capital	Category
President of India	6,18,06,14,980	74.96	Government
Life Insurance Corporation of India (including shares held in various funds/schemes)	81,75,85,952	9.92	Indian Financial Institutions

xvi) Dematerialisation of Shares and Liquidity

The shares of the Company are in compulsory dematerialised segment and are available for trading system of both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL).

In pursuance of Article 7 of the Articles of Association of the Company and as per Rule 6 of the Companies (Share Capital and Debentures) Rules, 2014, the Company has prescribed 50/- per share certificate on issue of certificates on splitting or consolidation of share certificate or rematerialisation of shares. Secretarial Audit Report for Reconciliation of the Share Capital of the Company obtained from Practicing Company Secretary has been submitted to Stock Exchange within stipulated time..

No. of shares held in dematerialized and physical mode

	No. of shares	Percentage of total capital issued
Held in dematerialized form in CDSL	3,81,16,816	0.46
Held in dematerialized form in NSDL	8,20,72,26,730	99.54
Physical	1,20,854	0.00
Total	8,24,54,64,400	100.00

The names and addresses of the Depositories are as under:

- National Securities Depository Ltd.
Trade World, 4th Floor
Kamala Mills Compound
Senapati Bapat Marg,
Lower Parel, Mumbai-400 013
- Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers
28th Floor, Dalal Street, Mumbai-400 023

xvii) Demat Suspense Account:

Details (in aggregate) of shares in the suspense account opened and maintained after Initial Public Offering, Further Public Offering of Equity Shares of NTPC, Tax Free Bonds, Employee OFS and Bonus Debentures as on 31st March, 2015 is furnished below:

Details of "NTPC LIMITED – IPO – Unclaimed Shares Demat Suspense Account" (account opened and maintained after IPO):

Opening Bal (as on 01.04.2014)		Requests received and Disposed off during 2014-15		Closing Bal (as on 31.03.2015)	
Cases	Shares	Cases	Shares	Cases	Shares
179	31,725	1	214	178	31511

Details of "NTPC LIMITED – FPO Unclaimed Shares Demat Suspense Account" (account opened and maintained after FPO):

Opening Bal (as on 01.04.2014)		Requests received and Disposed off during 2014-15		Closing Bal (as on 31.03.2015)	
Cases	Shares	Cases	Shares	Cases	Shares
26	3,640	0	0	26	3,640

The voting rights on the shares mentioned in the closing balance of above two accounts shall remain frozen till the rightful owner of such shares claims the shares.

Details of "NTPC LIMITED – Tax Free Bonds – Unclaimed Bonds Demat Suspense Account" (account opened and maintained after Public Issue of Tax Free Bonds):

Opening Bal (as on 01.04.2014)		Requests received and Disposed off during 2014-15		Closing Bal (as on 31.03.2015)	
Cases	Shares	Cases	Shares	Cases	Shares
11	2,735	11	2,735	0	0

Details of "NTPC LIMITED – Employee OFS – Unclaimed Shares Demat Suspense Account" (account opened and maintained after Employee OFS):

Opening Bal (as on 05.06.2014)		Requests received and Disposed off after 05.06.2014		Closing Bal (as on 31.03.2015)	
Cases	Shares	Cases	Shares	Cases	Shares
20	20,590	19	19,190	1	1,400

Details of "NTPC LIMITED – Bonus Debentures – Unclaimed Debentures Demat Suspense Account" (account opened and maintained after Issue of Bonus Debentures):

Opening Bal (as on 27.03.2015)		Requests received and Disposed off during March, 2015		Closing Bal (as on 31.03.2015)	
Cases	Shares	Cases	Shares	Cases	Shares
59	30,911	0	0	59	30,911

(xviii) Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity
No GDRs/ADRs/Warrants or any Convertible instruments has been issued by the Company

xix) Number of Shares held by the Directors as on 31st March, 2015

Directors	No. of shares
Dr. Arup Roy Choudhury	12,630
Shri I.J. Kapoor	NIL
Shri A.K. Jha	1440
Shri U.P. Pani	2362
Shri S.C. Pandey	4000
Shri K. Biswal	NIL
Shri K.K. Sharma	369
Dr. Pradeep Kumar	NIL
Shri Anil Kumar Singh	NIL
Dr. A. Didar Singh	426
Shri Prashant Mehta	NIL

xx) Locations of NTPC plants

National Capital Region

Thermal Power Stations

- i) Badarpur Thermal Power Station- Badarpur, New Delhi
- ii) National Capital Thermal Power Station - Distt. Gautam Budh Nagar, Uttar Pradesh

Gas Power Stations

- i) Anta Gas Power Project – Distt. Baran, Rajasthan
- ii) Auraiya Gas Power Project – Distt. Auraiya, Uttar Pradesh
- iii) Faridabad Gas Power Project – Distt. Faridabad, Haryana
- iv) National Capital Gas Power Project- Distt. Gautam Budh Nagar, Uttar Pradesh

Solar Power Stations

- i) 5MWp, Dadri Solar Power Plant, Dadri, Distt. Gautam Budh Nagar, Uttar Pradesh
- ii) 5MWp, Faridabad Solar Power Plant, Distt. Faridabad, Haryana

Eastern Region - I

Thermal Power Stations

- i) Barh Super Thermal Power Project- Patna, Bihar
- ii) Farakka Super Thermal Power Station – Distt. Murshidabad, West Bengal
- iii)Kahalgaon Super Thermal Power Project- Distt. Bhagalpur, Bihar
- iv)North Karanpura Super Thermal Power Project – Distt. Hazaribagh, Jharkhand

Eastern Region - II

Thermal Power Stations

- i) Talcher Super Thermal Power Station- Distt. Angul, Odisha
- ii) Talcher Thermal Power Station- Distt. Angul, Odisha
- iii) Bongaigaon Thermal Power Project, Distt. Kokrajhar, Assam.
- iv) Darlipalli Super Thermal Power Project, Distt. Sundergarh, Jharsuguda, Odisha

Solar Power Station

- i) 10MWp Talcher Kaniha Solar Power Station, Distt. Angul, Odisha

Northern Region

Thermal Power Stations

- i) Feroze Gandhi Unchahar Thermal Power Station – Distt. Raebareli, Uttar Pradesh
- ii) Rihand Super Thermal Power Project – Distt. Sonebhadra, Uttar Pradesh
- iii)Singrauli Super Thermal Power Station- Distt. Sonebhadra, Uttar Pradesh
- iv)Tanda Thermal Power Station- Distt. Ambedkar Nagar, Uttar Pradesh
- v) Vindhyachal Super Thermal Power Station- Distt. Singrauli, Madhya Pradesh

Solar Power Station

- i) 10MWp Unchahar PV Solar Power Station, Distt. Raebareli, Uttar Pradesh
- ii) 15 MWp Singrauli Solar PV Power Stations, Distt. Sonebhadra, Uttar Pradesh

Southern Region

Thermal Power Stations

- i) Ramagundam Super Thermal Power Station- Distt. Karimnagar, Andhra Pradesh
- ii) Simhadri Super Thermal Power Project- Distt. Vishakapatnam, Andhra Pradesh

Gas Power Stations

- i) Rajiv Gandhi Combined Cycle Power Project – Distt. Alappuzha, Kerala

Solar Power Station

- i) 5 MWp Solar PV Power Plant, Port Blair, A&N Islands
- ii) 10MWp Ramagundam Solar Power Station, Distt. Karimnagar, Andhra Pradesh
- iii)250 MWp Anantapur Solar PV Project, Distt. Anantapur, Andhra Pradesh

Western Region -I

Thermal Power Stations

- i) Solapur Super Thermal Power Project – Distt. Solapur, Maharashtra
- ii) Mouda Super Thermal Power Project – Distt. Nagpur, Maharashtra
- iii)Kudgi Thermal Power Project, Distt. Bijapur, Karnataka

Gas Power Stations

- i) Jhanor Gandhar Gas Power Project- Distt. Bharuch, Gujarat
- ii) Kawas Gas Power Project- Distt. Surat, Gujarat

Western Region -II

Thermal Power Stations

- i) Korba Super Thermal Power Station- Distt. Korba, Chhattisgarh
- ii) Sipat Super Thermal Power Project-Distt. Bilaspur, Chattisgarh
- iii)Gadarwara Super Thermal Power Project, Distt. Narsinghpur, Madhya Pradesh
- iv)Lara Super Thermal Power Project, Distt. Raigarh, Chattisgarh
- v) Khargone Super Thermal Power Project, Distt. Khargone, Madhya Pradesh

Solar Power Station

- i) 50 MWp Solar PV Power Plant, Rajgarh, Madhya Pradesh

HYDRO POWER PROJECTS

- i) Koldam Hydro Power Project – Distt. Bilaspur, Himachal Pradesh
- ii) Tapovan – Vishnugad Hydro Power Project – Distt. Chamoli, Uttarakhand
- iii)Lata Tapovan Hydro Power Projects – Distt. Chamoli, Uttarakhand
- iv)Rammam – III Hydro Electric Power Project Distt. Darjeeling, West Bengal.
- v) Singrauli Small Hydro Power Projects, Distt. Sonebhadra, Uttar Pradesh

JOINT VENTURE POWER PROJECTS

Thermal Power Stations

- i) Rourkela CPP-II - Distt. Sundargarh, Orissa
- ii) Durgapur CPP-II - Distt. Burdwan, West Bengal

- iii) Bhilai CPP - Bhilai (East), Chattisgarh
- iv) Ratnagiri Power Project - Distt. Ratnagiri, Maharashtra
- v) Vallur Thermal Power Project - Chennai, Tamil Nadu
- vi) Indira Gandhi Super Thermal Power Project - Distt. Jhajjar, Haryana
- vii) Meja Super Thermal Power Project - Tehsil Meja, Allahabad
- viii) Nabinagar Super Thermal Power Project - Distt. Aurangabad, Nabinagar, Bihar

Overseas Joint Venture Projects

Thermal Power Stations

- i) Trincomalee Power Project, Trincomalee, Sri Lanka
- ii) Power Project at Khulna, Bangladesh

POWER PROJECTS UNDER SUBSIDIARY COMPANIES

Thermal Power Projects

- i) Muzaffarpur Thermal Power Station, Muzaffarpur, Bihar
- ii) Nabinagar Thermal Power Project, Distt. Aurangabad, Nabinagar, Bihar (in JV with Railways)

COAL MINING SITES

- i) Pakri Barwadih Coal Mining Project, Hazaribagh, Jharkhand
- ii) Chatti-Bariatu Coal Mining Project, Hazaribagh, Jharkhand
- iii) Kerandari Coal Mining Project, Hazaribagh, Jharkhand
- iv) Talaipalli Coal Mining Project, Raigarh, Chattisgarh
- v) Dulanga Coal Mining Project, Sundargarh, Odisha
- vi) Banai Coal Mining Project, Raigarh, Chattisgarh
- vii) Bhalumunda Coal Mining Project, Raigarh, Chattisgarh
- viii) Kudanali- Laburi Coal Mining Project, Angul, Orissa

xix) Address for correspondence:

NTPC Bhawan, SCOPE Complex
7, Institutional Area, Lodi Road,
New Delhi - 110003

The phone numbers and e-mail reference for communication are given below:

	Telephone No.	Fax No.
Registered Office	2436 0100	2436 1018
Chief Investor Relations Officer Ms. Sangeeta Bhatia General Manager (Investor Services Department)	2436 7072	2436 1724
E-mail id	sbhatia@ntpc.co.in	
Company Secretary Shri Anil Kumar Rastogi	2436 0071	2436 0241
E-mail id	akrastogi@ntpc.co.in	
E-mail ID (exclusive) for redressal of investors complaints	For Shares: isd@ntpc.co.in For Tax Free Bonds: tfb@ntpc.co.in For Bonds including Bonus Debentures: powerbonds@ntpc.co.in	

For and on behalf of Board of Directors



(Dr. Arup Roy Choudhury)
Chairman & Managing Director
(DIN: 00659908)

Place: New Delhi
Date: 29th May 2015

ANNEX-1

Non - Mandatory Requirements

Besides the mandatory requirements as mentioned in preceding pages, the status of compliance with non-mandatory requirements of Clause 49 of the Listing Agreement is provided below:

- The Board:** The Company is headed by an Executive Chairman. No Independent Director has been appointed for the period exceeding, in the aggregate, a period of nine years, on the Board of the Company.
- Shareholder Rights:** The quarterly financial results of the Company are published in leading newspapers as mentioned under heading 'Means of Communication' and also hosted on the website of the Company. These results are not separately circulated. Significant events have been disclosed on the company website: www.ntpc.co.in under "Announcements" in the "Investors" section.
- Audit Qualification:** It is always Company's endeavour to present unqualified financial statements.
- Separate Posts of Chairman and CEO:** The Company has an Executive Chairman & Managing Director, who is also the CEO of the Company.
- Reporting of the Internal Auditor:** The Internal Auditor reports to the Audit Committee of the Board.

Annex-II

Schedule of Compliances with Presidential Directive issued during the financial year 2014-15 and during last three years preceding the financial year 2014-15:

Year	Content of Presidential Directives	Compliance
2014-15	NIL	NIL
2013-14	NIL	NIL
2012-13	NIL	NIL
2011-12	NIL	NIL

CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, Dr. Arup Roy Choudhury, Chairman & Managing Director and K. Biswal, Director (Finance) of NTPC Limited to the best of our knowledge and belief, certify that:

- (a) We have reviewed financial statements, including all notes to the financial statements and the cash flow statements for the year ended March 31, 2015 (stand alone and consolidated) and to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the Company during the year, which is fraudulent, illegal or violative of the company's various code(s) of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the company's auditors and the Audit Committee of NTPC's Board of Directors:
 - (i) significant changes, if any, in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: New Delhi
Date : 27th May, 2015

(K. Biswal)
Director (Finance)
(DIN: 03318539)

(Dr. Arup Roy Choudhury)
Chairman & Managing Director
(DIN: 00659908)

AUDITORS' CERTIFICATE

The Members
NTPC Limited

We have examined the compliance of conditions of Corporate Governance by NTPC Limited for the year ended on 31st March 2015 as stipulated in the Clause 49 of the Listing Agreements in respect of Equity Shares of the said company with Stock Exchanges and as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination is limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge and information and according to the explanations given to us, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in the Listing Agreements, in the Guidelines on Corporate Governance for Central Public Sector Enterprises and the Companies Act, 2013 except :

(a) Position of Independent Directors during the year was as under:

Period	Requirement as per the Listing Agreement and as per DPE Guidelines on Corporate Governance	Requirement as per the Companies Act, 2013	Actual
August 26, 2014 to October 30, 2014	8	6	7
October 31, 2014 to January 19, 2015	9	6	7
January 20, 2015 to February 27, 2015	9	6	5
February 28, 2015 to March 31, 2015	9	6	2

(b) For the period from February 28, 2015 to March 31, 2015, there was no woman director on the Board of the Company.

(c) Regarding compliance with the Board Evaluation Policy as explained in the Point No. 2.6 of the Report on Corporate Governance.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For O. P. Bagla & Co.
Chartered Accountants
Firm Reg. No.000018N

[Neeraj Kumar Agrawal
Partner
M. No. 094155

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Reg. No.109208W

[M. S. Balachandran]
Partner
M. No. 024282

For PSD & Associates
Chartered Accountants
Firm Reg. No.004501C

[Prakash Sharma]
Partner
M. No. 072332

For Ramesh C Agrawal & Co.
Chartered Accountants
Firm Reg. No.001770C

[Manoj Agrawal]
Partner
M. No.076918

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Reg. No.003990S/S200018

[S. Narasimhan]
Partner
M. No. 206047

For A. R. & Co.
Chartered Accountants
Firm Reg. No.002744C

[Pawan K. Goel]
Partner
M. No.072209

Place: New Delhi
Date: 29th May, 2015

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

{PURSUANT TO SECTION 134 (3) (M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 (3) OF THE COMPANIES (ACCOUNTS) RULES, 2014}

A. CONSERVATION OF ENERGY:

a) Energy conservation measures taken:

Some of the important energy conservation measures taken during the year 2014-15 in different areas are as under:

ENERGY AUDITS

As per BEE notification dt. 27th May'2014, mandatory energy audits, covering all plant systems are to be conducted in all stations. It has been completed at Badarpur, Talcher Kaniha and Talcher Thermal stations during this financial year.

AUXILIARY POWER CONSUMPTION

Actions undertaken to reduce auxiliary power consumption at various stations, inter-alia, include:

Replacement of inefficient BFP cartridges and attending BFP recirculation valves, attending duct leakages / APH seal / expansion joints replacements, flue gas duct modification using CFD, application of efficiency improvement coating on cooling water / other pump internals, HPBFP gear box modification to save energy, installation of VFD's in various LT drives, retrofitting FRP blades in CT fans, installing plate heat exchanger to replace fin fan coolers, de-staging of CEP, replacing existing motors with Energy Efficient motors, installing grid-connected roof top PV systems, using solar operated street light fittings, installing solar water heaters, replacing old compressor with energy efficient screw compressor, optimization of operation of CW pumps, ARCW, clarified water pumps & Cooling Tower Fans, optimizing DP across Feed Regulating Station etc.

LIGHTING

To reduce energy conservation from lighting, replacement of conventional GLS lamps and FTLs with CFLs / efficient T / LED lighting and replacement of street lighting HPSV / Halogen / FTL fixtures with LED light fixtures were undertaken at various stations during the year.

HEAT ENERGY

Restoring & upgrading thermal insulation and replacement of high energy drain valves etc were undertaken at some of the Stations to reduce loss of thermal energy.

b) Additional investments and proposals for reduction in consumption of energy:

Provision of Rs. 14 crore has been kept in BE 2015-16 for different energy conservation schemes like:

- LED lighting
- Energy efficient LT motors
- Solar water heaters for houses and canteen
- Energy Efficient fan blades in Cooling Towers
- Installation of VFDs

B. Impact of measures taken for energy conservation:

Savings achieved during 2014-15 on account of specific efforts for energy conservation:-

S.No.	Area/Activities	Energy Unit	Savings Qty. of units	Rs. (Crore)
1	Electrical	MU	115.400	29.46
2	Heat Energy (equivalent MT of coal)	MT	2100.000	0.44
3	Heat Energy (equivalent MCM of gas)	MCM	1.558	2.04
	Grand Total			31.94

Savings achieved during 2013-14 - Rs. 29.30 Crore

C. Technology Absorption:

Efforts made towards technology absorption are contained in enclosed Form -B.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to export initiative taken to increase export, development of new export markets for products and services and export plan:

Total Foreign Exchange Used/ Earned (2014-15)	(₹ Crore)
1. Foreign Exchange Outgo	
a) Value of Imports calculated on CIF basis:	
-Capital Goods	2788.44
-Spare Parts	80.16
b) Expenditure:	
-Professional and Consultancy Fee	10.98
-Interest	821.59
-Others	49.54
2. Foreign Exchange Earned	
-Professional & Consultancy Fee	2.94
-Others	0.47

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION OF TECHNOLOGY
1.0 Specific areas in which NETRA activities have been carried out during 2014 - 15:
a. MOU Projects for 2014-15 Completed:

In-house design engineering & award of high temperature thermic fluid based solar thermal cooking demonstration plant at one station, Experimentation & report on Microalgae based study plant set up at NTPC Faridabad for CO₂ fixation from Flue gas, Design and Installation of technology assessment platform of Floating PV system at one of reservoir, Advance kinetic and physical coal/blend characterization: Design development and start of fabrication of Drop Tube Reactor for 1500°C and In-house CFD model development and optimization of CW sump for one future NTPC Station.

b. Developmental Projects undertaken:

Integration of Solar PV with existing battery charger at Unchahar, Completion of Condition Assessment of Switchyard Equipment through Corona Imaging at NTPC Stations, Development of modified Amine absorption based process to separate CO₂ from flue gas -Completion of detailed design including specification of necessary equipments, instruments software etc., Development and trial of prototype magnetic crawler for water wall tubes inspection, Completion of Condition Assessment of coatings on gas turbine blades/vanes using Frequency scanning eddy current testing (FSECT) at NTPC units, Pilot Plant studies for reconditioning of aged FRF from two Stations using resin based conditioning system and Sintered fly-ash based light weight aggregate (LWA); mixed design & testing for M25 grade concrete

c. Scientific Support to NTPC Stations (Continuous basis):
CFD modeling :

- CFD modeling of flue gas duct was taken up at Tanda#4 and Singrauli#4. Modifications based on CFD modeling resulted in 60 mmWC reduction of pressure drop and 100 kW ID fans power reduction at Tanda. The combined effect of extensive duct work repair and guide vane installation resulted in 30 mm WC improvement in duct pressure drop. The modification carried out in Tanda and Vindhyachal were inspected in overhauls and it was found that the duct erosion has been reduced significantly.
- CFD Modeling of Vindhyachal Stage-IV CW Intake system, forebay, sump was carried out by NETRA. Replacement of impellers of Korba St-III, Vindhyachal Stage IV and Rihand St IV with modified design is being taken up subsequent to joint review of pump CFD modeling with M/s KBL.

Health assessment

- The preventive/failure investigation of critical rotating components, boiler/condenser tubes and NDT health assessment of boiler components helped in identifying the cause of failure and thus providing necessary input for taking corrective action in preventing re-occurrence of similar failures thereby increasing the availability of power plant equipments. Material mismatch and identification of various components were carried out at Badarpur, Barh, Anta, Faridabad, Dadri, Koldam, etc. In-situ metallography, replica and hardness measurement for different power plant component was carried out at Barh, Faridabad, Dadri.
- In-situ non-destructive evaluation of mechanical properties of in-service high temp headers of Singrauli, Unit#3 has been done during annual overhaul by using Automated Ball Indentation Technique.
- Residual creep life assessments were carried out for 11 nos. of service-exposed superheater and reheater tubes of ageing boilers of coal-fired units from Badarpur (210 MW), Korba (210 / 500 MW), Ramagundam (210 / 500 MW) and Dadri (210 MW) by conducting accelerated stress rupture tests (ASRT).
- In-situ creep damage assessment at identified shell-nozzle junction (stub-tube to header weld) locations and circumferential weld of Superheater Outlet Header of Unit # 2, Dadri – Thermal was carried out during its overhaul in Dec, '14 after 168760 hours (19.26 years) of operation.
- NETRA has carried out twelve nos. of robotic based remote visual inspections in coiled tubes for erosion assessment in NTPC power plant. Erosion assessments were helpful in preventing in-service tube failure.

Condition Monitoring:

- NETRA has analysed Paper Moisture content in Power Transformers in various NTPC plants such as Simhadri, Dadri, and Koldam, Tanda, Faridabad etc. through Frequency Domain Spectroscopy (FDS) technique which helped stations to take decision of online or offline drying /filtration. Based on the analysis by NETRA, Simhadri GT#4Y and Koldam GT#2R was put into service after drying out.
- More than 2500 transformer oil samples were analysed from various NTPC stations as well as outside agencies pertaining to different HV transformers such as GT's, ICT's, UAT's, ST's etc. It helped in early detection of impending faults such as AT-1 in Talcher Thermal, GT-1 in Ramagundam, ST#2 at Mouda, GT#4 and GT#5 at Vidhyachal, ICT#4R at Dadri Gas, UAT#6B at Dadri Thermal etc.
- Condition monitoring of ion exchange resins for capacity and kinetics done for more than 20 stations to assess the exchange capacities of in-service resins.

2.0 Benefits derived as a result of above Research & Technology Development:

NETRA activities have helped in increasing the availability, reliability and efficiency of the stations. Techniques developed by NETRA are implemented at stations, which are enhancing the life of boiler & turbine components. Environmental appraisals, rejuvenation treatments of resins, chemical cleaning/treatment and corrosion control measures supported the stations in improving the efficiency, availability and life of boilers, various heat exchangers/cooling towers etc.

Waste flue gas based Air-conditioning system for control rooms is successfully running at one of the NTPC station. CFD based modifications have resulted in power saving and have been helpful in analyzing and resolving vibration problems in CW pumps. Studies on CO₂ fixation/utilization, solar thermal, bio-fuels will result into development of technologies for reduction in the impact on climate change and technologies for affordable renewable energy sources.

3.0 Future Plans

Developmental Projects planned to be taken up:

- In house design engineering and award of flue gas waste heat based desalination plant at NTPC-Simhadri
- Award and commencement of setting up Solar Thermal and PV Labs at NETRA in collaboration with German Research Institutions
- Development of modified amine absorption based process to separate CO₂ from flue gas: Design & setting up of bench scale test facility
- Health assessment of Dadri Station Earthing Network
- Health assessment of Transformers OLTC through Dynamic Contact Resistance Measurement (DCRM) of six transformers
- Commissioning of ED-XRF analyzer, procedure development for different elements for fly ash composition and carry out testing's of fly ash composition for five stations
- Compilation of Microstructural Atlas for Material degradation in SA-213-T22 Material used in boiler
- In-situ Non-destructive evaluation of mechanical properties of In-service high temp. pipelines/ headers of power plants using Portable Automated Ball Indentation Technique at one of the station
- Finalization of design for modification of ESP internals in one of the NTPC stations through CFD modelling
- Setting up of Multi-mode Solar Thermal Cooking System at Dadri
- Studies for improvement in technology for manufacturing of fly ash bricks at two NTPC stations
- MEMS sensor development for stack emission monitoring in collaboration.
- Development of Flow battery for renewable grid integration
- Development of Electronic Transformer for renewable integration
- CFD and physical modeling of Tanda ST-II CW Intake Channel, forebay and sump at NETRA
- "ESP performance improvement through CFD Modeling" Recommendation, design and engineering of modification for Ramgundam U#6.

4.0 Expenditure on R&D: 2014-15

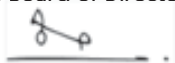
S.No.	Description	Expenditure in (Rs./Crores)	
		2014-15	2013-14
a)	Capital	32.00	35.82
b)	Revenue	97.56	98.52
c)	Total	129.56	134.34
d)	Total R&D expenditure as a percentage of PAT of previous year	1.18%	1.06%

5.0 Technology Absorption, Adaptation and Innovation

Particulars of some of the important technology imported during last five (5) years are as follows:

S.No.	Technology	Year	Stations
1	Ultra- supercritical Power plants with steam parameters 270 kg/cm ₂ steam pressure and 600/600 deg C at turbine end.	2014-15	Being implemented in Khargone (2X660 MW), Telangana -I (2X800 MW) and Pudimadka (4X1000 MW)
2	Adoption of air cooled condenser for super critical units	2013-14	Being implemented in (3x660 MW) North Karanpura.
3	Adoption of USC steam parameters 260 Kg/ cm ₂ steam pressure and 593/593 deg C at turbine end	2013-14	Being implemented in (3x660 MW) North Karanpura.
4	Adoption of supercritical technology in large size units of 800 MW	2012	Being implemented in bulk tender projects of (800 MW) at Kudgi, Lara, Darlipalli & Gadarwara
5	Super critical technology with 256 Kg/cm ₂ Steam Pressure and 568/596 deg C MS/RH steam temperature is being adopted at steam generator end for improvement in thermal efficiency and reduced emission of green house gasses.	2008-10	Being implemented in Barh-II and also being implemented in 9 units of 660 MW (in Mauda, Solapur, Meja, Nabinagar) through bulk tendering mechanism & being implemented for (800 MW) units (Kudgi, Darlipalli, Gadarwara & Lara through bulk tendering)

For and on behalf of the Board of Directors



(Dr. Arup Roy Choudhury)
Chairman & Managing Director
(DIN: 00659908)

Place: New Delhi
Dated: 30th July, 2015

STATISTICAL INFORMATION ON RESERVATION OF SCs/STs FOR THE YEAR 2014-15
Representation of SCs/STs as on 01.01.2015:

Group	Employees on Roll	SCs	%age	STs	%age
A	14,147	1,818	12.85	665	4.70
B	5,294	958	18.10	442	8.35
C	3,925	569	14.50	240	6.11
D	1,006	252	25.05	120	11.93
Total*	24,372	3,597	14.76	1,467	6.02

*The above data is inclusive of manpower posted at JVs and Subsidiaries and manpower of taken over projects.

Recruitment of SCs/STs during the year 2014:

Group	Total Recruitment	SCs	%age	STs	%age
A	172	21	12.21	4	2.33
B	-	-	-	-	-
C	179	29	16.20	2	1.12
D	7	-	-	-	-
Total	358	50	13.97	6	1.68

Promotions of SCs/STs during the year 2014:

Group	Total	SCs	%age	STs	%age
A	2,964	408	13.77	128	4.32
B	1,310	256	19.54	116	8.85
C	669	107	15.99	43	6.43
D	15	2	13.33	1	6.67
Total	4,958	773	15.59	288	5.81

For and on behalf of the Board of Directors



(Dr. Arup Roy Choudhury)
Chairman & Managing Director
(DIN: 00659908)

Place: New Delhi
Date: 30th July, 2015

INFORMATION ON PHYSICALLY CHALLENGED PERSONS

With a view to focus on its role as a socially responsible and socially conscious organization, your Company has endeavored to take responsibility for adequate representation of Physically Challenged Persons (PCP) in its workforce. With this in view, the Company launched a massive recruitment drive to make up the shortfall of PCP. Presently, 469 PCP (93 VH, 107 HH and 269 OH) are on rolls of NTPC. Reservation has been provided for PH as per rules/policy. Some of the other initiatives taken for the welfare of PCP by NTPC over the years are as under:

- For individual needs of the Visually Hampered employees, screen reading software and Braille shorthand machines, are made available by the Projects of NTPC. A website has been made PCP friendly, particularly for Low Vision Employees.
- Changes in the existing building have been/ are being made to provide barrier free access to physically challenge. Ramps have also been provided for unhampered movement of wheel chairs.
- At most of the NTPC Projects, wherever houses are located in multi-storied structures, allotments to PCP has been made on the ground floor. Special parking enclosure near the ramp at the office entrance as well as Physically Handicapped friendly toilet and lift at CC and Projects.
- Wheel chairs have been provided to employees with orthopaedics disabilities. If required, the assistance of an attendant has also been sanctioned.
- Petty contracts like book binding, scribbling pad preparation from waste paper, file binding, furniture repair, screen printing, spiral binding, painting contract are also being given to disabled persons.
- At CC procurement of stationery items like files, envelopes are mainly being done from NGOs/ Agencies like ADDI, MUSKAN, Blind Relief Association who are working for physically challenged thereby creating indirect employment.
- Paintings made by disabled persons have also been procured and placed at different locations in the Company Offices.
- Medical camps have been organized in various projects of the Company for treatment and distribution of aids like artificial limbs, tricycles, wheelchairs, calipers etc.
- Shops have been allotted in Township to PCP so that they may earn their livelihood. Similarly, PCOs within/ outside plant premises are also allotted to PCP.
- Training needs are being fulfilled as per the individual requirement.
- 10 number of Scholarships @ Rs.1,500/- per month/ per student are given to PH students pursuing MBA/ PGDBM/ Degree in Engineering Courses.
- Physically challenged (Orthopedically Handicapped) employees have been allowed to purchase a three wheeler vehicle with a hand fitted engine against their normal entitlement (advance for scooter/ motorcycle/ moped) under Conveyance Advance Rules and reimbursement towards low vision aids, dark glasses etc. subject to maximum of ₹ 1,000/- every year has been introduced. Similarly hearing aid; behind the ear model for each ear restricted to ₹ 10,000/- or actual cost whichever is lower has been introduced. Transport allowances at double the normal rate to Physically disabled employees of NTPC within the admissible 47% perks and allowances w.e.f. 01.04.2014.
- Relaxation in qualifying marks for open recruitment: pass marks only and also 10% relaxation in written test and interview from the year-2002 onwards and the minimum performance level marks for promotions within the cluster are relaxed by 3 marks in case of employees belonging to SC/ ST/ Physically Challenged category.

For and on behalf of the Board of Directors



(Dr. Arup Roy Choudhury)
Chairman & Managing Director
(DIN: 00659908)

Place: New Delhi

Date: 30th July, 2015

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L40101DL1975GOI007966
2.	Registration Date	07 th November 1975
3.	Name of the Company	NTPC Limited
4.	Category/Sub-category of the Company	Public Company / Government Company
5.	Address of the Registered office & contact details	NTPC Bhawan, Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003 Telephone No : 011 24360100 /7072 Fax No : 011 24361018 /1724 E mail : ntpccc@ntpc.co.in
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Pvt. Ltd Karvy Selenium Tower-B Plot No.31 to 32, Gachibowli Financial District Nanakramguda, Serilingampally, Hyderabad-500 008 Phone No.: 91 -40-67161518 Fax No.: 91-40-23420814 E-mail: einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Generation of Electricity	35102	90.48

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and address of the company	CIN/GLN	% of shares held
Subsidiary Company {Section 2(87)(ii)}			
1	NTPC Vidyut Vyapar Nigam Limited, NTPC Bhawan, SCOPE Complex Lodi Road, New Delhi	U40108DL2002GOI117584	100.00
2	NTPC Electric Supply Co. Limited, NTPC Bhawan, SCOPE Complex Lodi Road, New Delhi	U40108DL2002GOI116635	100.00
3	Kanti Bijli Utpadan Nigam Limited, NTPC Bhawan, SCOPE Complex Lodi Road, New Delhi	U40102DL2006GOI153167	65.00
4	Bhartiya Rail Bijlee Co. Ltd., NTPC Bhawan, SCOPE Complex Lodi Road, New Delhi	U40102DL2007PLC170661	74.00
Associate Company {Section 2(6)}			
1	Utility Powertech Limited, H block, 3rd Floor , Dhirubhai Ambani knowledge City, Thane Belapur Road, Navi Mumbai, Mumbai	U45207MH1995PLC094719	50.00
2	NTPC SAIL Power Company Pvt Ltd., 4TH FLOOR NBCC TOWER , 15th Bhikaji Kama Place, New Delhi	U74899DL1999PTC098274	50.00
3	NTPC Alstom Power Services Pvt. Ltd., NTPC Bhawan, SCOPE Complex Lodi Road, New Delhi	U74899DL1999PTC101702	50.00
4	NTPC Tamil Nadu Energy Company Ltd., NTPC Bhawan, SCOPE Complex Lodi Road, New Delhi	U40108DL2003PLC120487	50.00
5	Ratnagiri Gas & Power Pvt. Ltd. , NTPC Bhawan, SCOPE Complex Lodi Road, New Delhi	U40105DL2005PTC138458	28.91
6	Aravali Power Co. Pvt. Ltd., NTPC Bhawan, SCOPE Complex Lodi Road, New Delhi	U40105DL2006PTC156884	50.00
7	NTPC SCCL Global Ventures Pvt. Ltd., NTPC Bhawan, SCOPE Complex Lodi Road, New Delhi	U40101DL2007PTC166472	50.00
8	Meja Urja Nigam Pvt. Ltd., NTPC Bhawan, SCOPE Complex Lodi Road, New Delhi	U74900DL2008PTC176247	50.00
9	NTPC BHEL Power Projects Private Limited, NTPC Bhawan, SCOPE Complex Lodi Road, New Delhi	U40102DL2008PTC177307	50.00
10	BF-NTPC Energy Systems Limited, 14th Floor, Antrikh Bhawan, 22 KG Marg, New Delhi	U40106DL2008PLC179793	49.00
11	Nabinagar Power Generating Company Pvt. Ltd., NTPC Bhawan, SCOPE Complex Lodi Road, New Delhi	U40104DL2008PTC183024	50.00
12	National Power Exchange Limited, NTPC Bhawan, SCOPE Complex Lodi Road, New Delhi	U40100DL2008PLC185689	16.67
13	Transformers and Electricals Kerala Limited, Angamaly South ,Ernakulam District Cochin, Kerala ,India.	U31102KL1963SGC002043	44.60
14	National High Power Test Laboratory Pvt. Ltd., NTPC Bhawan, SCOPE Complex Lodi Road, New Delhi	U73100DL2009PTC190541	21.63
15	Energy Efficiency Services Limited, 4th Floor, Sewa Bawan , R K Puram, New Delhi	U40200DL2009PLC196789	25.00
16	CIL NTPC Urja Private Limited, NTPC Bhawan, SCOPE Complex Lodi Road, New Delhi	U14105DL2010PTC202053	50.00
17	International Coal Ventures Pvt. Ltd., 20th Floor, Scope Minar, (Core-2), North Tower, Laxmi Nagar District Centre, Delhi	U10100DL2009PTC190448	0.27
18	Anushakti Vidhyut Nigam Ltd, 16th Floor, Centre 1 , World Trade Centre, Cuffe Parade, Mumbai	U40300MH2011GOI212727	49.00
19	Pan Asian Renewables Pvt. Limited, NTPC Bhawan, SCOPE Complex Lodi Road, New Delhi	U40108DL2011PTC226296	50.00
20	Trincomalee Power Co. Ltd., 3rd Floor, No.240, High Level Road, Kirulapone, Colombo - 00600, Sri Lanka	Not Applicable / Foreign Company	50.00
21	Bangladesh- India Friendship Power Co.(P) Ltd., 14th Floor, Bidyut Bhawan, 1 Abdul Gani Road, Dhaka	Not Applicable / Foreign Company	50.00

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

Category-wise Share Holding

CATEGORY OF SHAREHOLDER		NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR i.e. 01/04/2014				NO. OF SHARES HELD AT THE END OF THE YEAR i.e. 31/03/2015				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	PROMOTER / AND PROMOTER GROUP									
(1)	INDIAN									
(a)	Individual / HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government/State Government(s)	6184098300	0	6184098300	75.00	6180614980	0	6180614980	74.96	-0.04
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	6184098300	0	6184098300	75.00	6180614980	0	6180614980	74.96	-0.04
(2)	FOREIGN									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2) :	0	0	0	0.00	0	0	0	0.00	0.00
	Total A=A(1)+A(2)	6184098300	0	6184098300	75.00	6180614980	0	6180614980	74.96	-0.04
(B)	PUBLIC SHAREHOLDING									
(1)	INSTITUTIONS									
(a)	Mutual Funds / UTI	99462368	0	99462368	1.21	61917461	0	61917461	0.75	-0.46
(b)	Financial Institutions / Banks	787935450	0	787935450	9.56	901314976	0	901314976	10.93	1.38
(c)	Central Government / State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	179625306	0	179625306	2.17	49379983	0	49379983	0.60	-1.58
(f)	Foreign Institutional Investors	769339713	0	769339713	9.33	85229725	0	85229725	10.34	1.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1) :	1836362837	0	1836362837	22.27	1864842145	0	1864842145	22.62	0.34
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	40612551	0	40612551	0.49	25149680	0	25149680	0.31	-0.19
(b)	Individuals									

CATEGORY OF SHAREHOLDER		NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR i.e. 01/04/2014				NO. OF SHARES HELD AT THE END OF THE YEAR i.e. 31/03/2015				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
	(i) Individuals holding nominal share capital upto Rs.1 lakh	150627865	72881	150700746	1.82	143738071	72077	143810148	1.74	-0.08
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	15338758	0	15338758	0.19	15381800	0	15381800	0.19	0.00
(c)	Others									
	CLEARING MEMBERS	10419103	0	10419103	0.13	4387729	0	4387729	0.05	-0.07
	DIRECTORS	17963	0	17963	0.00	25224	0	25224	0.00	0.00
	FOREIGN BODIES	1500	0	1500	0.00	1500	0	1500	0.00	0.00
	FOREIGN NATIONALS	2683	0	2683	0.00	2690	0	2690	0.00	0.00
	NON RESIDENT INDIANS	4746872	30777	4777649	0.06	4860131	48777	4908908	0.06	0.00
	TRUSTS	3132310	0	3132310	0.04	6339596	0	6339596	0.08	0.04
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2) :	224899605	103658	225003263	2.73	199886421	120854	200007275	2.43	-0.30
	Total B=B(1)+B(2) :	2061262442	103658	2061366100	25.00	2064728566	120854	2064849420	25.04	0.04
	Total (A+B) :	8245360742	103658	8245464400	100.00	8245343546	120854	8245464400	100.00	0.00
(C)	Shares held by custodians, for GDRs/ADRs									
	GRAND TOTAL (A+B+C) :	8245360742	103658	8245464400	100.00	8245343546	120854	8245464400	100.00	

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	PRESIDENT OF INDIA	6184098300	75.00	0	6180614980	74.96	0	-0.04

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

SN	Particulars	Shareholding at the beginning of the year		Transaction during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No. of shares	% of total shares of the company
1	At the beginning of the year	6184098300	75.00				6184098300	75.00
2	Offer for sale			06/06/2014	-3483320	Offer for sale to employees	6180614980	74.96
3	At the end of the year	6180614980	74.96				6180614980	74.96

D) Shareholding Pattern of top ten Shareholders (Closing Balance):
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders*	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	LIFE INSURANCE CORPORATION OF INDIA				
	At the beginning of the year	706778072	8.57	706778072	8.57
	Bought during the year	111208454	1.35	817986526	9.92
	Sold during the year	400574	-	817585952	9.92
	At the end of the year	817585952	9.92	817585952	9.92
2	ABU DHABI INVESTMENT AUTHORITY - GULAB				
	At the beginning of the year	38645866	0.47	38645866	0.47
	Bought during the year	35253552	0.43	73899418	0.90
	Sold during the year	14524490	0.18	59374928	0.72
	At the end of the year	59374928	0.72	59374928	0.72
3	GOVERNMENT OF SINGAPORE				
	At the beginning of the year	77660352	0.94	77660352	0.94
	Bought during the year	8507487	0.10	86167839	1.05
	Sold during the year	47142797	0.57	39025042	0.47
	At the end of the year	39025042	0.47	39025042	0.47
4	T. ROWE PRICE INTERNATIONAL STOCK FUND				
	At the beginning of the year	-	-	-	-
	Bought during the year	37906301	0.46	37906301	0.46
	Sold during the year	-	-	37906301	0.46
	At the end of the year	37906301	0.46	37906301	0.46
5	VANGUARD EMERGING MARKETS STOCK INDEX FUND, ASERIE				
	At the beginning of the year	34706910	0.42	34706910	0.42
	Bought during the year	2590952	0.03	37297862	0.45
	Sold during the year	571300	0.01	36726562	0.45
	At the end of the year	36726562	0.45	36726562	0.45
6	PLATINUM INTERNATIONAL FUND				
	At the beginning of the year	-	-	-	-
	Bought during the year	33770416	0.41	33770416	0.41
	Sold during the year	-	-	33770416	0.41
	At the end of the year	33770416	0.41	33770416	0.41
7	PLATINUM ASIA FUND				
	At the beginning of the year	-	-	-	-
	Bought during the year	28876415	0.35	28876415	0.35
	Sold during the year	-	-	28876415	0.35
	At the end of the year	28876415	0.35	28876415	0.35
8	PRUDENTIAL ICICI TRUST LTD-SENSEX PRUDENTIAL ICICI				
	At the beginning of the year	19445874	0.24	19445874	0.24
	Bought during the year	40281346	0.49	59727220	0.72
	Sold during the year	32821805	0.40	26905415	0.33
	At the end of the year	26905415	0.33	26905415	0.33
9	COPTHALL MAURITIUS INVESTMENT LIMITED				
	At the beginning of the year	10119518	0.12	10119518	0.12
	Bought during the year	19332562	0.23	29452080	0.36
	Sold during the year	3944436	0.05	25507644	0.31
	At the end of the year	25507644	0.31	25507644	0.31
10	SWISS FINANCE CORPORATION (MAURITIUS) LIMITED				
	At the beginning of the year	5994681	0.07	5994681	0.07
	Bought during the year	27051233	0.33	33045914	0.40
	Sold during the year	10481889	0.13	22564025	0.27
	At the end of the year	22564025	0.27	22564025	0.27

*The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated. Shareholding is consolidated based on permanent account number (PAN) of the shareholder.

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Transaction during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No. of shares	% of total shares of the company
1	Dr. ARUP ROY CHOUDHURY	11190	0.00	01/04/2014			11190	0.00
				06/06/2014	1440	Transfer	12630	0.00
				31/03/2015			12630	0.00
2	S C PANDEY	3304	0.00	01/04/2014			3304	0.00
				06/06/2014	500	Transfer	3804	0.00
				06/02/2015	2304	Transfer	6108	0.00
				06/02/2015	-2304	Transfer	3804	0.00
				06/03/2015	196	Transfer	4000	0.00
				31/03/2015			4000	0.00
3	ANIL KUMAR JHA	0	0.00	01/04/2014			0	0.00
				06/06/2014	1440	Transfer	1440	0.00
				31/03/2015			1440	0.00
4	NARENDRA NATH MISRA [§]	922	0.00	01/04/2014			922	0.00
				06/06/2014	200	Transfer	1122	0.00
				31/03/2015			1122	0.00
5	UMESH PRASAD PANI	922	0.00	01/04/2014			922	0.00
				06/06/2014	1440	Transfer	2362	0.00
				31/03/2015			2362	0.00
6	DR. ALWYN DIDAR SINGH	426	0.00	01/04/2014			426	0.00
				31/03/2015			426	0.00
7	ANIL KUMAR RASTOGI	3443	0.00	01/04/2014			3443	0.00
				23/05/2014	-500	Transfer	2943	0.00
				30/05/2014	-500	Transfer	2443	0.00
				06/06/2014	940	Transfer	3383	0.00
				31/03/2015			3383	0.00

§ Superannuated as director w.e.f. 31st Oct., 2014

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Amount in Crore

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (as at 01.04.2014)				
i) Principal Amount	12,904.00	54,265.70	0.52	67,170.22
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	390.63	314.32	0.09	705.04
Total (i+ii+iii)	13,294.63	54,580.02	0.61	67,875.26
Change in Indebtedness during the financial year (2014-15)				
i) Addition in principal amount	11,306.83	12,053.54	-	23,360.37
ii) Reduction in principal amount	593.00	4,157.63	0.52	4,751.15
iii) Change in principal amount due to ERV	-	215.90	-	215.90
iv) Change in interest accrued but not due	43.22	(20.87)	(0.09)	22.26
Net Change (i-ii+iii+iv)	10,757.05	8,090.94	(0.61)	18,847.38
Indebtedness at the end of the financial year (as on 31.03.2015)				
i) Principal Amount	23,617.83	62,377.51	-	85,995.34
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	433.85	293.45	-	727.30
Total (i+ii+iii)	24,051.68	62,670.96	-	86,722.64

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. Remuneration to Managing Director, Whole-time Directors and/or Manager

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager								Total Amount (₹)
		CMD/CEO	WTD/CFO	WTD	WTD	WTD	WTD	WTD	WTD	
		Dr. Arup Roy Choudhury	Sh.Kulamani Biswal	Sh. I.J.Kapoor	Sh.N.N.Mishra [§]	Sh.A.K.Jha	Sh.U.P.Pani	Sh.S.C.Pandey	Sh.K.K.Sharma ^{§§}	
1	Gross salary									
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,434,288	2,722,062	3,865,475	5,682,835	3,610,834	3,714,777	3,157,864	1,099,024	28,287,159
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	609,784	798,384	1,766,124	705,154	1,190,865	584,071	561,696	465,018	6,681,096
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-	-	-	-	-
5	Others, please specify	-	-	-	-	-	-	-	-	-
	Total (A)	5,044,072	3,520,446	5,631,599	6,387,989	4,801,699	4,298,848	3,719,560	1,564,042	34,968,255
	Ceiling as per the Act	Not Applicable*								

§ Superannuated as Director w.e.f. 31st Oct,2014

§§ Appointed as Director w.e.f. 1st November,2014

* Section 197 of Companies Act, 2013 shall not apply vide MCA notification dated 5.6.2015

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Fee for attending board / committee meetings	Commission	Others, please specify-Honorarium	Total Amount
1.	Independent Directors				
	Dr. Alwyn Didar Singh		3,60,000	-	3,60,000
	Sh.Ajit M Nimbalkar		3,20,000	-	3,20,000
	Sh.Anol Nath Chatterji		6,00,000	20,250	6,20,250
	Sh.Homai A Daruwalla		8,60,000	-	8,60,000
	Sh.Prashant Mehta		4,00,000	-	4,00,000
	Sh. Rajib Sekhar Sahoo		3,60,000	-	3,60,000
	Sh.S.B.Ghosh Dastidar		3,00,000	-	3,00,000
	Sh.S.R.Upadhyay		4,00,000	47,000	4,47,000
	Prof. Sushil Khanna		6,20,000	-	6,20,000
	Total (1)		42,20,000	67,250	4,28,7250

2.	Other Non-Executive Directors	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	42,20,000	-	67,250	42,87,250
	Total Managerial Remuneration (A+B)				3,92,55,505
	Ceiling as per the Act (@ 1% of profits calculated under Section 198 of the Companies Act, 2013)	Not Applicable*			

* Section 197 of Companies Act, 2013 shall not apply vide MCA notification dated 5.6.2015

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary	Total
		Sh.Anil Kumar Rastogi	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	35,36,511	35,36,511
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	9,10,320	9,10,320
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
5	Others, please specify	-	-
	Total	44,46,831	44,46,831

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
There were no penalties/ punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.					

For and on behalf of the Board of Directors



(Dr. Arup Roy Choudhury)
Chairman & Managing Director
(DIN: 00659908)

Place: New Delhi
Date: 30th July, 2015

Annual Report on Corporate Social Responsibility Activities

(Pursuant to Section 135 of the Companies Act, 2013)

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

CSR has been synonymous with Company's core business of power generation. The Company's spirit of caring and sharing is embedded in its mission statement. The Company's has 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 through a 'NTPC Foundation's trust of NTPC.

CSR & Sustainability programs undertaken by Company 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 NTPC 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.

The Company commits itself to contribute to the society, discharging its corporate social responsibilities through initiatives that have positive impact on society at large, especially the community in the neighborhood of its operations by improving the quality of life of the people, promoting inclusive growth and environmental sustainability"

Preference for CSR & Sustainability activities is given to local areas (within the district) around Company's operations, ensuring that majority CSR funds are spent for activities in local areas. However, considering Inclusive Growth & Environment Sustainability and to supplement Government effort, activities are taken up anywhere in the country.

During the year special thrust has been given to the "Swachh Vidyalaya Abhiyan" for construction of 24,000 toilets in government schools covering 17 states and 82 districts across the country.

Web Link to the CSR Policy & Projects or programs

<http://www.ntpc.co.in/en/corporate-citizenship/corporate-social-responsibilitydownload/ntpc-policy-csr-sustainability>

2. The Composition of the CSR Committee

The Board level Corporate Social Responsibility & Sustainability Committee comprising at least three Directors with at least one Independent Director, recommends to the Board for approval, the amount of expenditure to be incurred on the activities and monitor from time to time the Policy for Corporate Social Responsibility & Sustainability approved by the Board.

3. Financial Details

Particulars	₹ crores
Average net profit of the Company for the last three financial years	14173.78
Prescribed CSR Expenditure (2% of the average net profits)	283.48
Details of CSR Expenditure during the financial year:	
Total amount to be spent for the financial year	283.48
Amount spent	205.18
Amount unspent	78.30

4. Manner in which the amount spent during the financial year is detailed below :

							Amount (₹ lacs)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
S. No	CSR project or activity identified.	Sector in which the Project is covered./ Relevant Section of Schedule VII in which the project is covered (Note)	Project or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency	
1.	Education	II	Anta District: Baran State: Rajasthan	342.13	226.96	226.96	Through Implementing / Contracting Agency	
	Health & Sanitation	I						
	Social Infrastructure	III						
	Vocational Training & Capacity Building	II						
	Promotion of Sports & Culture	VII						
	Others Miscellaneous CSR Activities	IV						
2.	Education	II	Auraiya District: Auraiya State: Uttar Pradesh	152.90	256.41	256.41	Through Implementing / Contracting Agency	
	Health & Sanitation	I						
	Drinking Water	I						
	Vocational Training & Capacity Building	II						
	Social Infrastructure	III						
	Promotion of Sports & Culture	VII						
	Activities for Physically challenged persons	III						
	Others Miscellaneous CSR Activities	IV						

(1) S. No	(2) CSR project or activity identified.	(3) Sector in which the Project is covered./ Relevant Section of Schedule VII in which the project is covered (Note)	(4) Project or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise	(6) Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	(7) Cumulative expenditure upto to the reporting period	(8) Amount spent: Direct or through implementing agency
3.	Education	II	Badarpur New Delhi State:Delhi	454.49	431.70	431.70	Through Implementing / Contracting Agency
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
4.	Others Miscellaneous CSR Activities	IV	Farakka District:Murshidabad State:West Bengal & District: Sahibganj Jharkhand	1419.78	964.45	964.45	Through Implementing / Contracting Agency
	Education	II					
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
	Drinking Water	I					
	Promotion of Sports & Culture	VII					
5.	Others Miscellaneous CSR Activities	IV	Faridabad District:Faridabad State:Haryana	137.00	148.56	148.56	Through Implementing / Contracting Agency
	Education	II					
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
	Drinking Water	I					
	Activities for Physically challenged persons	III					
6.	Promotion of Sports & Culture	VII	Jhanor Gandhar District:Bharuch State:Gujarat	160.06	181.25	181.25	Through Implementing / Contracting Agency
	Others Miscellaneous CSR Activities	IV					
	Education	II					
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
	Drinking Water	I					
	Promotion of Sports & Culture	VII					
7.	Animal Health	IV	Kahalgao District:Bhagalpur State:Bihar & District - Godda Jharkhand	1452.31	757.72	757.72	Through Implementing / Contracting Agency
	Others Miscellaneous CSR Activities	IV					
	Education	II					
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
	Drinking Water	I					
	Promotion of Sports & Culture	VII					
	Activities for Physically challenged persons	III					
	Relief for Natural Calamities	IV					
8.	Others Miscellaneous CSR Activities	IV	Kawas District:Surat State:Gujarat	97.10	88.34	88.34	Through Implementing / Contracting Agency
	Education	II					
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
	Drinking Water	I					
9.	Promotion of Sports & Culture	VII	Kayamkulam District:Alappuzha State:Kerala	375.26	320.75	320.75	Through Implementing / Contracting Agency
	Others Miscellaneous CSR Activities	IV					
	Education	II					
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
	Relief for Natural Calamities	IV					
	Activities for Physically challenged persons	III					
10.	Relief for Natural Calamities	IV	Korba District:Korba State:Chhatisgarh	1031.56	1073.14	1073.14	Through Implementing / Contracting Agency
	Others Miscellaneous CSR Activities	IV					
	Education	II					
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
	Promotion of Sports & Culture	VII					
	Activities for Physically challenged persons	III					

Amount (₹ lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	Sector in which the Project is covered./ Relevant Section of Schedule VII in which the project is covered (Note)	Project or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
11.	Education	II	NCPD-Dadri District: Gautambudh Nagar State:Uttar Pradesh	713.04	809.48	809.48	Through Implementing / Contracting Agency
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
	Drinking Water	I					
	Promotion of Sports & Culture	VII					
	Others Miscellaneous CSR Activities	IV					
12.	Education	II	Ramagundam District:Karimnagar State:Telangana	1297.85	866.22	866.22	Through Implementing / Contracting Agency
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
	Drinking Water	I					
	Promotion of Sports & Culture	VII					
	Animal Health	IV					
	Activities for Physically challenged persons	III					
Others Miscellaneous CSR Activities	IV						
13.	Education	II	Rihand District:Sonebhadra State:Uttar Pradesh	1221.01	826.19	826.19	Through Implementing / Contracting Agency
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
	Drinking Water	I					
	Promotion of Sports & Culture	VII					
	Activities for Physically challenged persons	III					
Others Miscellaneous CSR Activities	IV						
14.	Education	II	Simhadri District: Visakhapatnam State: Andhrapradesh	803.48	1455.81	1455.81	Through Implementing / Contracting Agency
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
	Drinking Water	I					
	Promotion of Sports & Culture	VII					
	Animal Health	IV					
	Activities for Physically challenged persons	III					
Others Miscellaneous CSR Activities	IV						
15.	Education	II	Singrauli District:Sonebhadra State:Uttar Pradesh	902.98	825.56	825.56	Through Implementing / Contracting Agency
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
	Drinking Water	I					
	Promotion of Sports & Culture	VII					
	Animal Health	IV					
	Activities for Physically challenged persons	III					
Others Miscellaneous CSR Activities	IV						
16.	Education	II	Sipat District:Bilaspur State:Chhatisgarh	974.35	1039.91	1039.91	Through Implementing / Contracting Agency
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
	Drinking Water	I					
	Promotion of Sports & Culture	VII					
	Activities for Physically challenged persons	III					
	Others Miscellaneous CSR Activities	IV					
17.	Education	II	Talcher-Kaniha District:Angul State:Odisha	1488.56	1412.65	1412.65	Through Implementing / Contracting Agency
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
	Drinking Water	I					
	Promotion of Sports & Culture	VII					
	Animal Health	IV					
	Activities for Physically challenged persons	III					
	Others Miscellaneous CSR Activities	IV					

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	Sector in which the Project is covered./ Relevant Section of Schedule VII in which the project is covered (Note)	Project or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
18.	Education	II	Talcher- Thermal District:Angul State:Odisha	841.58	818.01	818.01	Through Implementing / Contracting Agency
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
	Drinking Water	I					
	Promotion of Sports & Culture	VII					
	Animal Health	IV					
	Others Miscellaneous CSR Activities	IV					
19.	Education	II	Tanda District:Ambedkar Nagar State:Uttarpradesh	129.74	176.93	176.93	Through Implementing / Contracting Agency
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
	Promotion of Sports & Culture	VII					
	Animal Health	IV					
	Activities for Physically challenged persons	III					
	Others Miscellaneous CSR Activities	IV					
20.	Education	II	Unchahar District:Raebareli State:Uttarpradesh	710.00	331.92	331.92	Through Implementing / Contracting Agency
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
	Drinking Water	I					
	Promotion of Sports & Culture	VII					
	Activities for Physically challenged persons	III					
	Others Miscellaneous CSR Activities	IV					
21.	Education	II	Vindhyachal District:Singrauli State:Madhya Pradesh	1048.95	968.29	968.29	Through Implementing / Contracting Agency
	Health &Sanitation	I					
	Vocational Training & Capacity Building	II					
	Social Infrastructure	III					
	Drinking Water	I					
	Animal Health	IV					
	Promotion of Sports & Culture	VII					
	Activities for Physically challenged persons	III					
Others Miscellaneous CSR Activities	IV						
22.	Education	II	Eastern Region-I District:Patna State:Bihar	167.85	174.00	174.00	Through Implementing / Contracting Agency
	Health & Sanitation	I					
	Social Infrastructure	III					
	Drinking Water	I					
	Activities for Physically challenged persons	III					
	Activities for poor and underprivileged	I					
23.	Education	II	Eastern Region -II District:Bhubneswar State:Odisha	58.00	164.46	164.46	Through Implementing / Contracting Agency
	Health & Sanitation	I					
24.	Education	II	National Capital Region District:Noida State:Uttar Pradesh	60.00	58.35	58.35	Through Implementing / Contracting Agency
	Health & Sanitation	I					
	Activities for poor and underprivileged	I					
25.	Education	II	Nothern Region District:Lucknow State:Uttar Pradesh	121.10	139.15	139.15	Through Implementing / Contracting Agency
	Health &Sanitation	I					
	Drinking Water	I					
	Social Infrastructure	III					
	Activities for Physically challenged persons	III					
26.	Education	II	Southern Region District:Hyderabad State:Telangana	125.00	125.05	125.05	Through Implementing / Contracting Agency
	Drinking Water	I					
	Vocational Training & Capacity Building	II					
	Promotion of Sports & Culture	VII					
	Activities for Physically challenged persons	III					
	Activities for poor and underprivileged	I					

Amount (₹ lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	Sector in which the Project is covered./ Relevant Section of Schedule VII in which the project is covered (Note)	Project or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
27.	Education	II	Western Region-I District:Mumbai State:Maharashtra	61.00	69.38	69.38	Through Implementing / Contracting Agency
	Health & Sanitation	I					
	Promotion of Sports & Culture	VII					
	Activities for Physically challenged persons	III					
	Activities for poor and underprivileged	I					
	Others Miscellaneous CSR Activities	IV					
28.	Education	II	Western Region- II District:Raipur State:Chhatisgarh	50.00	183.10	183.10	Through Implementing / Contracting Agency
	Social Infrastructure	III					
29.	Education	II	Corporate Centre and other National level activities at various locations and states across country	17398.51	3368.36	3368.36	Through Implementing / Contracting Agency
	Conservation of Heritage	V					
	Solar Lighting/ Renewable Energy/ Dg Projects	IV					
	Vocational Training & Capacity Building	II					
	Animal Health	IV					
	Activities for poor and underprivileged	I					
	Natural Calamity	IV					
30	Sustainable Development Activities & Others			4654.00	838.80	838.80	
	Total			38448.89	19100.90	19100.90	
31	Overheads (@5% of total allocations)			1922.44	1417.72	1417.72	
	GRAND TOTAL			40371.33	20518.62	20518.62	

Note :

- (i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water
 - (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
 - (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
 - (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
 - (v) protection of national heritage, art and culture including restoration of buildings and site of historical importance and work of art: setting up public libraries: promotion and development of traditional arts and handicrafts.
 - (vi) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports.
5. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report.
- (i) This being the 1st year after the Section 135 of the Companies Act 2013 came into force with effect from 01.04.2014, formulating new Policy, putting new systems and procedures into place and mobilizing additional resources have taken substantial part of the year after receiving clarifications in June 2014.
 - (ii) Directives dated 27.10.2014 from the Administrative Ministry were received regarding construction of 24000 toilets in schools spread over 41 locations in 82 districts of 17 States. Surveying the locations, finalizing the sites in consultation with the concerned State Authorities, obtaining consents of the concerned Ministries and rolling out the construction activities have taken considerable time. CSR plans had to be reworked to include this important National endeavor envisaged and decided by Government of India under Swachha Bharat Swachh Vidyalaya Abhiyan on the clarion call by Hon'ble Prime Minister of India. Expenditure on this activity, which is to the tune of Rs 285 Cr, has not been substantial during the year. Now that the constructions are in full swing, major expenditures shall take place during the year 2015-16.
6. This is to state that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors



(Dr. Arup Roy Choudhury)
Chairman & Managing Director
(DIN: 00659908)

Place: New Delhi
Date: 30th July, 2015

PROJECT-WISE ASH PRODUCED AND UTILISED

The quantity of ash produced, ash utilized and percentage of such utilization during 2014-15 from NTPC Stations is as under:

Sl.No.	Stations	Ash Produced (Lakh MTs)	Ash Utilization (Lakh MTs)	% Utilization (Amount in %)
1	Badarpur	8.12	9.73*	119.83*
2	Dadri	26.07	27.04*	103.72*
3	Singrauli	37.00	6.21	16.78
4	Rihand	48.31	4.93	10.20
5	Unchahar	19.25	13.62	70.75
6	Tanda	10.35	5.74	55.46
7	Korba	61.14	19.01	31.09
8	Vindhyachal	73.11	19.51	26.69
9	Sipat	49.41	15.41	31.19
10	Ramagundam	55.41	35.51	64.09
11	Simhadri	29.30	9.85	33.62
12	Farakka	36.18	10.07	27.83
13	Kahalgaon	56.48	16.87	29.87
14	Talcher-Thermal	12.03	12.08	100.42
15	Talcher-Kaniha	65.20	27.57	42.29
16	Mouda	4.43	0.64	14.45
	Total	591.79	233.79	39.51

* Figure includes Ash utilized from ash produced during previous years.

For and on behalf of the Board of Directors



(Dr. Arup Roy Choudhury)
Chairman & Managing Director
(DIN: 00659908)

Place: New Delhi
Date: 30th July, 2015

BUSINESS RESPONSIBILITY REPORT (2014-15)
Section A : General information about the company

1. CIN (Corporate Identity Number) L40101DL1975GOI007966
2. Name of the company NTPC Limited
3. Registered address NTPC Bhawan, Scope Complex, 7, Institutional Area, Lodi Road, New Delhi-110003
4. Website www.ntpc.co.in
5. Email id ntpccc@ntpc.co.in
6. FY reported 2014-15
7. Sector that company is engaged in : Power
8. Product/services that the company manufacturers /provides (as in balance sheet):
 - i. Generation of Electricity
 - ii. Consultancy
 - iii. Coal Mining
9. Total number of location where business activity is undertaken by the company:
 1. International locations - 03 nos.
 - a. Trincomalee Power Project, Srilanka
 - b. Power Project at Khulna, Bangladesh
 - c. Power Project at Siddhirganj, Bangladesh
 2. National locations - 64 nos.
10. Markets served by the company : National & International

Section B : Financial details of the company		
S.No.	Particulars	Rs. Crores
1.	Paid up capital	Rs. 8245.46
2.	Total Revenue	Rs. 75,362.37
3.	Total Profit after taxes	Rs. 10,290.86
4.	Total spending on CSR and Sustainable Development (SD) as % of PAT	- 1.99 % (Rs 205.18 Cr.) of PAT of FY 14-15 - 1.45% (Rs. 205.18 Cr.) of average of pervious 3 yrs Net Profit#
5.	List of activities in which expenditure in 4 above has been incurred	Broad areas of the activities : - Education and awareness creation - Health and sanitation(Toilet) - Vocational Training and Skill up-gradation - Activities for physically challenged - Women Empowerment - Roads & Infrastructure strengthening - Providing Drinking Water - Art & Culture and Sports - Extending financial support/activities for relief during Natural Calamity - Biodiversity, Tree Plantation - Waste management - Environmental Studies - Promotion of Renewable Energy - Water management

An amount of Rs. 78.30 Cr. has been appropriated to CSR reserve in FY 2014-15

Section C: Other Details

Subsidiaries : The company has the following four Subsidiary Companies as on 31-03-2015 :

- i. NTPC Electric Supply Company limited
- ii. NTPC Vidyut Vyapar Nigam Limite
- iii. Kanti Bijlee Utpadan Nigam Limited
- iv. Bhartiya Rail Bijlee Company Limited

The Business Responsibility Initiatives of the parent company are applicable to the subsidiary companies also. However, none of the entities that the Company does business with, participate in the BR initiatives of the Company.

Section D: BR information

1. Individual Directors responsible for implementation of the BR policy / policies:

Principle No	Description	Policy / Policies	Director(s) Responsible
Principle 1 (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.	1. Code of Conduct* 2. Core Values 3. Fraud Prevention Policy 4. CDA Rules 5. Whistle Blower Policy 6. Internal code of conduct for prevention of insider trading. 7. Code of Corporate Fair Disclosure Practices for prevention of insider trading. 8. Related Party Transaction Policy.	All Directors & Chief Vigilance Officer
Principle 2 (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.	1. Safety Policy 2. NTPC Policy for CSR and Sustainability	Director (Operations) Director (HR)
Principle 3 (P3)	Businesses should promote the well-being of all employees.	1. Human Resource (HR) Policies 2. Placement and Transfer Policy	Director (HR)
Principle 4 (P4)	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	1. R&R Policy 2. Community Development (CD) Policy 3. HR Policies	Director (HR)
Principle 5 (P5)	Businesses should respect and promote human rights.	HR Policies	Director (HR)
Principle 6 (P6)	Businesses should respect, protect, and make efforts to restore the environment.	1. Environment Policy 2. NTPC Policy for CSR and Sustainability	Director (Operation) Director (HR)
Principle 7 (P7)	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.	1. Code of Conduct* 2. Core Values	All Directors
Principle 8 (P8)	Businesses should support inclusive growth and equitable development.	1. R&R Policy 2. Community Development (CD) Policy	Director (HR)
Principle 9 (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner.	Commercial systems & Procedures	Director (Commercial)

* Code of Conduct for Board Members & Senior Management Personnel

2. Details of Director/Directors responsible for BR as a whole

a. Details of the Director/Directors responsible for implementation of the BR policy/policies:

- i. DIN number 00659908
- ii. Name Dr. Arup Roy Choudhury
- iii. Designation Chairman & Managing Director
- iv. Telephone no. 011-24360044
- v. Email-ID cmd@ntpc.co.in

b. Details of BR head: Same as above

3. Principle wise reply to each question on BR Policy / Policies :

Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. Do you have a policy/ policies for the Principle	Y	Y	Y	Y	Y	Y	Y	Y	N
2. Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	-
3. Does the policy conform to any national /international standards?	Y	Y	Y	Y	Y	Y	Y	Y	-
4. Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	-
5. Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	-
6. Indicate the link for the policy to be viewed online?	(i)	(i)	(ii)	(i)	(ii)	(i)	(i)	(i)	-
7. Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y ^s	Y	Y ^s	Y	Y	Y	-
8. Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	-
9. Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	-
10. Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	-

§ Communicated to Internal Stakeholders only.

(i) Web links for the Policies :

- a. Code of Conduct
<http://www.ntpc.co.in/investors/code-of-conduct>
- b. R&R Policy :
<http://www.ntpc.co.in/en/corporate-citizenship/r-and-r-policies>
- c. CSR and Sustainability Policy
<http://www.ntpc.co.in/download/ntpc-policy-csr-sustainability>
- d. Fraud Prevention Policy
<http://www.ntpctender.com/about/FraudPolicy.asp>
- e. INTERNAL CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING
<http://www.ntpc.co.in/download/internal-code-conduct-prevention-insider-trading-dealing-securities-ntpc-limited>

- f. CODE OF CORPORATE FAIR DISCLOSURE PRACTICES FOR PREVENTION OF INSIDER TRADING
<http://www.ntpc.co.in/download/code-corporate-fair-disclosure-practicces-prevention-insider-trading>
 - g. Related Party Transaction Policy
<http://www.ntpc.co.in/download/related-party-transaction-policy-ntpc>
 - h. Whistle Blower Policy
<http://www.ntpc.co.in/en/vigilance>
 - i. Community Development Policy
<http://www.ntpc.co.in/download/initail-community-development-policy-2009>
- (ii) Policies not hosted on web :
- a. Environment Policy : Policy is in hard copy only and not hosted on web. However, Principles of Environment Policy have been given on the website www.ntpc.co.in under Environment Head.
 - b. Safety Policy, HR Policies & Placement and Transfer Policy : Available for internal stakeholders only and not hosted on web.
4. If answer against any principle is 'No', please explain why:
- Principle 9 : All the sub-principles identified under principle -9 are duly followed by Company through its commercial systems and procedures. However, Company feels that a separate Policy on Principle -9 is not required because :
- The Company supplies power to the Bulk Customers (State Electricity Distribution companies) majority of which are owned by the respective State Govts.
 - The CERC, while finalizing Tariff and other Regulations engages all Stakeholders and takes views of them. CERC Tariff Regulations and relevant orders are being displayed on CERC Website www.cercind.gov.in.
 - The Company and Our bulk customers i.e. Discoms works under Regulated Environment. NTPC strives for supplying cheapest power deploying all resources optimally in best possible ways resulting in well being of customers & Society.
 - The Company being a Government company is also subject to the various checks and balances mechanism such as C&AG audits /CVC etc.
 - CERC while determining the tariff of stations does prudence check on the costs of the Company.
 - The Company never restricts the freedom of choice and free competition in any manner while supplying bulk Power.
 - Needs of the customers is taken into account and accordingly PPA are signed and Allocation of Power is made by Ministry of Power as per existing guidelines & Policy to meet the requirement of customers. Unallocated quota of power is allocated by MoP as per demand and requirement of different States hence always keep customer first.
 - Power Supply regularity, Performance and all other Commercial parameters are governed by CERC and NTPC always excels in satisfying customers by disclosing all relevant information.
 - Issues, if any, regarding operational issues etc are being discussed and resolved in common forums such as Regional Power Committees.

The Company engages with customers and provides value to the customers in a responsible manner.

5. Governance related to BR

i.	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.	Within 3-6 months
ii.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The company has published business Responsibility Report as a part of annual report 2013-14 and publicises Business Responsibility Report Annually

Section E: Principle –wise performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs / Others?
 - i. Code of Conduct for Board Members & Senior Management Personnel cover all the Directors and Senior Management Personnel of the Company.
 - ii. Fraud Prevention Policy applies to any fraud, or suspected fraud involving employees as well as representatives of vendors, suppliers, contractors, consultants, service providers or any outside agency (ies) doing any type of business with Company.
 - iii. CDA Rules are applicable to all employees of NTPC and employees posted in JVs/ Subsidiaries.
 - iv. Insider Trading Code is applicable to designated employee of the company.
 - v. In line with NTPC, RGPP and NTECL, JVs of NTPC have also adopted Fraud Prevention Policy and CDA rules.
 - vi. Related Party Transaction Policy is intended to ensure the proper approval and reporting of transactions between the Company and its Related Parties.
 - vii. Whistle Blower Policy has been approved by Board of Directors on 27th November 2013 to build and strengthen a culture of transparency and trust in the organisation and to provide employees with a framework/procedure and secure reporting of improper activities(whistle Policy) with in the company.

Additionally, the Company has a Vigilance Department headed by Chief Vigilance Officer (CVO) of the rank of Joint Secretary,GOI, who is a nominee of the Central Vigilance Commission. The Vigilance Department submits its reports to Competent Authority including the Board of Directors. The CVO also reports to the Central Vigilance Commission as per their norms.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

A total of 188 new complaints were received during the period 1st April'14 to 31st March'15. 102 complaints (including previously received) were closed by Vigilance department after verification. 95 complaints (including previously received) were taken up for investigation and 40 were under verification as on 31.03.15.

All cases, referred under the Fraud Policy, have been investigated and taken to its logical conclusion.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities
 - i. Generation of Electricity: The Company produces Electricity through Coal, Gas and Solar PV. These Systems have incorporated State of the Art technologies such as High Concentration slurry disposal (HCSD), Real time monitoring of Pollutants and Zero discharge in new projects.
2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):
 - a. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?
 - b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

RAW MATERIAL (ENERGY) CONSUMPTION PER YEAR

Energy Source	2012-13		2013-14		2014-15	
	Qty.	Per Unit Consumption	Qty.	Per Unit Consumption	Qty.	Per Unit Consumption
Coal	154.5 MMT	0.731 kg/kwh	158.2 MMT	0.718 Kg/kwh	162.1 MMT	0.707 Kg/kwh
Gas	10.70 MMSCMD	0.22 scm/kwh	6.88 MMSCMD	0.19 scm/kwh	6.44 MMSCMD	0.218 scm/kwh

WATER WITHDRAWAL PER YEAR

	2012-13		2013-14		2014-15	
	Quantity	Per Unit Withdrawal	Quantity	Per Unit Withdrawal	Quantity	Per Unit Withdrawal
Total Water Withdrawal	4591 million KL	19.9 Litre/kwh	4665 million KL	20.0 Litre/kwh	4546 million KL	18.89 Litre/kwh

Energy saved by the initiatives taken in NTPC power plants for energy conservation / efficiency improvement	2012-13	2013-14	2014-15
	119.9 MU	115.1MU	115.4 MU

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The following procedures are in place for the sustainable sourcing of coal by NTPC for its' different power stations.

- Coal Linkage:** Coal linkage for a new project is accorded by Standing Linkage Committee-Long Team (SLC-LT) under the aegis of Ministry of Coal, GOI. Accordingly, NTPC applies for coal linkage to SLC(LT) for its new projects. On the direction of SLC-LT, Coal companies issue Letter of Assurance (LoA) to the Buyer valid for 24 months. On receipt of LOA, NTPC completes all the formalities enabling for signing of FSA.
- Fuel Supply Agreement (FSA):** FSA is signed between the Buyer and Coal Companies for a period of 20 years with a provision of review after every 5 years. Based on the terms & conditions of FSA, coal companies supply coal to the power stations.
- Bilateral MOUs:** Short term coal procurements are done as per requirement through Bilateral MoUs with coal companies for the quantity, price & period mutually agreed by buyer & Coal Company.
- E-Auctions:** Coal is also procured for critical stations by participating in E-Auctions conducted by Coal companies as approved by NTPC Board.
- Import:** NTPC imports coal with the approval of NTPC Board. NTPC procures the coal on short term basis and in multi-packages to enable cost benefit to NTPC.

During 2014-15, the Company sourced about 151 Million Metric Tons of domestic coal and 16.4 Million Metric Tons of imported coal, out of which approx 52.5% coal was transported through MerryGo Round system of NTPC (MGR).

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company adopts fair, equitable and transparent tendering procedures. To encourage Indian bidders and suppliers, provisions regarding price preference and deemed export benefits are stipulated in the bidding documents as per the extant policy of Government of India.

There are certain economic opportunities arising out of need for goods and services by the project and its township. As far as R&R is concerned, additional opportunities are given to the PAPs for gainful employment by formation of Co-operative Societies and preference for award of petty contracts etc for supplying goods and services. Based on consultation and need assessment, efforts are made for capacity- building of PAPs for skill up-gradation through various training schemes and training institutes

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Our Product viz. Electricity gets completely consumed and hence there is no scope of its recycling. Guidelines have been issued in line with National Environment Policy for disposal of hazardous wastes from power stations. The hazardous wastes generated at our power stations such as used transformer oil, used lubricants, lead acid batteries etc. are sold only to government approved recyclers or given back to the sellers for recycling under buy back arrangements, which takes care of 100% recycling of such wastes.

Around 40% of the total ash generation from electricity generation has been used for various productive purposes during 2014-15. Important areas of ash utilization are - cement & asbestos industries, ready mix concrete plant (RMC), road embankment construction, brick/ block/ tile manufacturing, mine filling, ash dyke raising, and land development.

Principle 3 : Businesses should promote the wellbeing of all employees

1. Number of Employees :
 - a. Executives : 12,486
 - b. Non- executives : 10,010
2. Number of Employees hired on Temporary / Contractual / Casual basis :
The Company does not hire employees on temporary / casual basis. The no. of workers with Contractors are dynamic in nature and vary from time to time.
3. Number of permanent Women Employees: 1,419
4. Number of permanent Employees with Disabilities : 469
5. Do you have an employee association that is recognized by management:
The Company is a multi unit organization. Association(s) comprising of executives need not be recognized in the absence of any statutory mandate. Workmen of various units have formed unions. The same are accorded recognition by company as per applicable law / practice.
6. What percentage of your permanent employees is members of this recognized employee association?
About 50-55% of the permanent employees in workmen category are members of the recognized union of workmen.
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No. of previous year pending complaints	No. of complaints filed during the FY 14-15	No. of complaints pending as on 31-03-2015
1	Child labour / forced labour / involuntary labour	NIL	NIL	NIL
2	Sexual harassment	NIL	1	NIL
3	Discriminatory employment	NIL	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (Excluding joint venture companies)

Category of employee	Training for safety (% covered)	Training for skill up -gradation (% covered)
Permanent Employees	39.23	50.90
Permanent Women Employees	23.91	47.54
Casual / Temporary / Contractual Employees	83.27	7.09
Employees with Disabilities	38.58	49.57

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders? : Yes
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders
The Company identifies vulnerable & marginalised stakeholders through Socio Economic Surveys and extend benefits as per provisions of extant R&R policies of GOI / concern State Govt /Company.
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.
4. Yes, the Company has always been sensitive to the needs of disadvantaged, vulnerable and marginalized stakeholders. The Company has taken up Skill up gradation training for approximately 1800 village youth/ women in backward districts identified under BRGF of Planning commission for improving employability. The Company has also taken up the activities for women empowerment, construction of SC/ST multipurpose halls & hostels, relief through distribution of various articles like tricycles, wheelchairs & support to orphanages & old age homes in the vicinity of its stations.

Principle 5 : Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

All HR Policies of the Company are applicable to all its employees posted in various stations, projects, offices, JVs and Subsidiaries. Human Rights provisions are also built in our bidding documents for supply cum erection and civil packages invited on competitive bidding basis covering our suppliers and contractors.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaint on human rights, such as child labour, forced labour, involuntary labour, sexual harassment, discrimination, rights of the disabled etc was pending as on 31.3 2015. (refer principle 3)

Principle 6 : Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs /Others

The environment policy of the Company and implementation thereof covers the core business activity of producing thermal power through its power stations. However, the Joint Ventures / Suppliers / Contractors / Other stake holders are free to adopt the same voluntarily.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? If yes, please give hyperlink for webpage etc.

Yes, the Company has established a Centre for Energy Efficiency and Environmental Protection (CenPEEP) to work on GHG emission reduction through efficiency & reliability improvement. A web-page on the same is available on NTPC web-site (www.ntpc.co.in) under the subhead - Environment.

3. Does the company identify and assess potential environmental risks?

The Company has an elaborate and structured methodology for identifying and assessing potential environmental risks through an institutionalized "Enterprise Risk Management (ERM)" framework. ERM comprises of a functional Director level committee, which meets every quarter to review and mitigate risks. The Company's risk portfolio includes "Compliance of emission, ash utilization and regulatory norms" risk, under which environmental risks are regularly identified, assessed & reviewed and steps for mitigation are evolved.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed? The Company is pioneer in undertaking climate change issue proactively. The company has taken several initiatives for taking up CDM Projects in Power Sector. Some of these CDM initiatives are as under :

- i) CDM Executive Board had issued 6173 nos of CERs for 5 MW solar PV Power Project at Port Blair (A&N). Further, Verification / Issuance of CERs for 5 MW solar PV Power Project at Dadri is in process.
- ii) Three of its solar projects viz. 5 MW solar PV Power Project at Dadri, 5 MW solar PV Power Project at Port Blair (A&N) and 5 MW solar PV Power Project at Faridabad had already been registered with UNFCCC CDM Executive Board. Another 8 MW Small Hydro Power Project at Singrauli in advanced stage of Validation and is likely to be submitted shortly to UNFCCC for registration.

5. Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page or write up.

Yes, the company has taken up several initiatives for clean technology, energy efficiency and renewable energy. Details are as follows:

- i. Clean Technology :

- Setting up of Coal Fired Units with Ultra Supercritical Parameters targeting efficiency comparable to the best available technology in the world.
- Development of Advance Ultra Super Critical technology: Under National Mission on Clean Coal (Carbon) Technologies, NTPC, BHEL and Indira Gandhi Centre for Advanced Research (IGCAR) have entered into MOU for indigenous development of advance ultra super critical technology which will have enhanced efficiency of around 46% and about 20% less CO₂ emission as compared to conventional 500 MW sub-critical thermal power plants.

- ii. Energy Efficiency Improvement:

- The Centre for Energy Efficiency and Environmental Protection (CenPEEP) works on GHG emission reduction through efficiency & reliability improvement. Activities undertaken by CenPEEP in the area of Energy Efficiency improvement are given on the website www.ntpc.co.in

- NTPC is implementing Perform, Achieve and Trade (PAT) Scheme under National Mission on Enhanced Energy Efficiency (NMEEE) in 22 Power Stations of the company as notified by BEE (as on 31.03.2015)

iii. Renewable Energy

The Company is committed to develop 10,000 MW renewable energy projects in next five years

• Solar

The Company has already developed 110 MW of solar PV projects. **The solar project at Rajgarh(50 MW) is the first largest solar PV project in India which was build with domestically manufactured solar PV modules.**

Further the company has planned to develop 1000 MW solar PV projects in Andhra Pradesh. The company has plans to develop solar PV projects at various projects on spare land available at these projects. Further, the company has planned to harness solar energy on the roof tops of potential buildings on its various upcoming thermal power projects.

• Geo-Thermal

MoU has been signed with Chattisgarh Govt. On 16.02.13 for development of Geothermal Project at Tattapani Distt. Balrampur in Chattisgarh. MoU with GSI was also signed on 07.01.14 for development of geothermal energy based project at Tattapani (Chattisgarh)

• Mini Hydro

The Company is developing a mini hydro project (8 MW) at its Singrauli Super Thermal Project in U.P.

6. Are the Emissions / Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

All the legal parameters including emission norms and effluent (wastes) norms are being adhered to by NTPC stations. Change of Law in certain cases, has necessitated up-gradation of pollution control equipments which are being addressed through R&M Schemes for which actions plans have been submitted to the Regulators.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

All the complaints / notices are addressed timely.

Principle 7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.

The Company has taken Corporate Membership of 62 Chambers & association including SCOPE, FICCI, CII, TERI, ITRHD, WEC, SHRM, IPE, IERE, IFGE, NACE etc.

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).

The Company is a member of World Energy Council. Chairman and Managing Director of NTPC is also an ex-officio Member Secretary WEC India and its international counterpart WEC work towards sustainable use and supply of energy. Their work enables promoting policies which balance Energy Security, Energy Equity (Energy access/inclusive growth) and Environmental Sustainability.

Principle 8 : Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes, the Company has specified programmes for inclusive growth and equitable development not only at station level but at country level also.

As most of the Stations are located in remote rural areas, the Company during 2014-15 undertook activities in the neighborhood area of stations addressing the basic needs like primary education, community health, drinking water, sanitation, vocational training, women empowerment and village infrastructure like roads, community centres , cremation sheds etc. In addition, Quality Circles (QCs) activities are being carried out in neighborhood villages of stations which contribute for improvements in various areas. Employees of the Company participate in various activities through Employee Voluntary Organization for Initiative in Community Empowerment (EVOICE). NTPC has been taking up CSR Activities in all the major sectors, in the vicinity of its operating stations, benefitting communities in more than 500 villages.

NTPC Foundation, registered in December 2004, is engaged in serving & empowering the physical challenged and economically weaker section of the society.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

Programmes are undertaken through well defined in-house teams with three tier structure , (station level team, regional team & Corporate level team) specialized agencies, NGOs , government structure, Some activities are carried out by NTPC Foundation while other organizations are involved as and where required.

3. Have you done any impact assessment of your initiative?

Yes, every two year NTPC conducts a third party Social Impact assessment for all its major CSR activities at various stations. During the Year 2014-15, NTPC has taken up Impact Assessment at 05 stations

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

Rs 205.18 Crores The Details of major projects for Community Development are given in Principle 8

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.

- Bottom up approach is adopted for taking up CSR activities. CSR activities are identified after consultations with community, village panchayats, local/ district administration & Village Development Advisory Committee based on Need Assessment Surveys.
- Community involvement is ensured during implementation and monitoring. Assets are handed over to local authorities and gram panchayats for maintenance.
- Community participation along with local administration & village Panchayats ensures the successful adoption of initiative by the community. This is further confirmed by conducting a social impact evaluation by external agency

Principle 9 : Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. Customer complaints / consumer cases are pending as on the end of financial year:

There are no complaints as such from customers. However, As part of the tariff determination process under the overall Regulatory System, following cases have been filed (as on 31.03.2015) by Company against CERC, customers or filed by different Beneficiaries of Company against Company/CERC. The details are as under :

- Cases with Appellate Tribunal For Electricity (APTEL) : 38 nos.
- Cases in Supreme Court: 83 nos.

In addition, 14 cases are pending on other matters.

2. Does the company display product information on the product label, over and above what is mandated as per local laws?

Not Applicable

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

Nil

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

As part of the Customer Relationship Management programme, the Company conducts a Customer Satisfaction Survey to assess the satisfaction level of the customers, captured through an Index and to get feedback from the customers.

For and on behalf of the Board of Directors



(Dr. Arup Roy Choudhury)
Chairman & Managing Director
(DIN: 00659908)

Place: New Delhi

Date: 30th July, 2015

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

{Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
The Members,
NTPC LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by NTPC LIMITED (hereinafter called NTPC/the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the NTPC's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial period ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by NTPC ("the Company") for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Compliances/ processes/ systems under following specifically applicable Laws to the Company are being verified on the basis of periodic certificate submitted to the Board of Directors of the Company:-
 - (a) The Electricity Act, 2003
 - (b) Explosives Act, 1884
 - (c) Mines Act, 1952
 - (d) Mines and Mineral (Regulation and Development) Act, 1957

I have also examined compliance with the applicable clauses of the following:

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India (Not applicable for the Audit period).
- (b) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

Observation: Composition of the Board of Directors of the Company is required to be in compliance with Clause 49(II) (A) of the Listing Agreement, para 3.1.2 & 3.1.4 of the DPE Guidelines on Corporate Governance and Section 149 (4) of the Companies Act, 2013.

Further, Company is also required to comply with proviso to Section 149 (1) read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, w.r.t. appointment of at least one woman Director on the Board of the Company. As on 31.03.2015, there was no woman Director on the Board of the Company. However, during the year, there was a Woman Director on the Board of the Company who ceased to be the Director w.e.f. 27.02.2015.

I further report that in view of the above, the Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Generally, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever required.

I further report that as per Section 178(2) of the Companies Act, 2013, the Nomination and Remuneration Committee of the Board was required to carry out evaluation of every director's performance. Further, Clause 49 of the Listing Agreement and the Code for Independent Directors pursuant to Section 149 (8) of the Companies Act, 2013 requires the performance evaluation of Independent Directors to decide their continuance or otherwise. However, MCA has vide its notification dated 5th June, 2015 notified the Exemptions to Government Companies from the provisions of the Companies Act, 2013 which inter-alia provides that Sub-Sections (2), (3) & (4) of Sec. 178 regarding appointment, performance evaluation and remuneration shall not apply to Directors of Government Companies. The Company has explained that the appointment of Functional Directors, Part Time Official Directors as well as Part Time Non-Official Directors (Independent Directors) on the Board of NTPC is made by Government of India (GOI). Further, terms & conditions of appointment as well as tenure of all directors are also decided by GOI and there is a well laid down procedure for evaluation of Functional Directors & CMD by Administrative Ministry.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and Company is in process of reviewing & strengthening the same.

I further report that during the audit period, the company has duly complied with the clauses/ provisions of various Foreign Technical Collaboration Agreements as entered by the Company.

For Agarwal S. & Associates,
Company Secretaries,

(Sachin Agarwal)
FCS No. : 5774
C.P No. : 5910

Place: New Delhi
Date: July 16, 2015

This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

To,
The Members,
NTPC LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Agarwal S. & Associates,
Company Secretaries,

(Sachin Agarwal)
FCS No. : 5774
C.P No. : 5910

Place: New Delhi
Date: July 16, 2015

BALANCE SHEET AS AT

Particulars	Note	₹ Crore	
		31.03.2015	31.03.2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	8,245.46	8,245.46
Reserves and surplus	3	73,411.89	77,569.86
		81,657.35	85,815.32
Deferred revenue	4	1,394.15	1,609.88
Non-current liabilities			
Long-term borrowings	5	78,532.33	62,405.75
Deferred tax liabilities (net)	6	979.07	1,051.61
Other long-term liabilities	7	2,886.59	2,512.46
Long-term provisions	8	1,115.71	879.36
		83,513.70	66,849.18
Current liabilities			
Trade payables	9	5,953.15	6,429.60
Other current liabilities	10	16,807.62	11,547.60
Short-term provisions	11	7,758.75	7,302.60
		30,519.52	25,279.80
TOTAL		197,084.72	179,554.18
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	12	78,586.91	71,865.86
Intangible assets	12	262.16	244.97
Capital work-in-progress	13	56,463.11	44,886.74
Intangible assets under development	13A	30.38	1.93
Non-current investments	14	7,154.07	8,120.90
Long-term loans and advances	15	15,527.89	12,777.26
Other non-current assets	15A	1,696.77	1,786.77
		159,721.29	139,684.43
Current assets			
Current investments	16	1,878.06	1,636.96
Inventories	17	7,453.00	5,373.35
Trade receivables	18	7,604.37	5,220.08
Cash and bank balances	19	12,878.81	15,311.37
Short-term loans and advances	20	2,407.59	3,116.04
Other current assets	21	5,141.60	9,211.95
		37,363.43	39,869.75
TOTAL		197,084.72	179,554.18
Significant accounting policies	1		

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

(A.K.Rastogi)
Company Secretary

For O. P. Bagla & Co.
Chartered Accountants
Firm Reg. No. 000018N

(Rakesh Kumar)
Partner
M No.087537

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Reg. No. 109208W

(Ajay Gupta)
Partner
M No. 090104

For and on behalf of the Board of Directors

(K.Biswal)
Director (Finance)

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

For PSD & Associates
Chartered Accountants
Firm Reg. No. 004501C

(Prakash Sharma)
Partner
M No.072332

For Ramesh C. Agrawal & Co.
Chartered Accountants
Firm Reg. No. 001770C

(R.C. Agrawal)
Partner
M No.070229

(Dr. Arup Roy Choudhury)
Chairman & Managing Director

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Reg. No. 003990S/S200018

(S. Narasimhan)
Partner
M No.206047

For A.R. & Co.
Chartered Accountants
Firm Reg. No. 002744C

(Pawan K Goel)
Partner
M.No.072209

Place : New Delhi
Dated : 29th May 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

		₹ Crore	
Particulars	Note	31.03.2015	31.03.2014
Revenue			
Revenue from operations (gross)	22	73,915.69	72,644.02
Less: Electricity duty		669.64	625.09
Revenue from operations (net)		73,246.05	72,018.93
Other income	23	2,116.32	2,645.68
Total revenue		75,362.37	74,664.61
Expenses			
Fuel		48,845.19	45,829.71
Employee benefits expense	24	3,669.78	3,824.78
Finance costs	25	2,743.62	2,406.59
Depreciation and amortization expense	12	4,911.65	4,142.19
Generation, administration & other expenses	26	4,979.31	4,543.85
Prior period items (net)	27	(333.83)	12.84
Total expenses		64,815.72	60,759.96
Profit before tax		10,546.65	13,904.65
Tax expense			
Current tax			
Current year		2,278.97	3,230.56
Earlier years		(1,952.53)	(436.96)
Deferred tax			
Current year		888.75	136.31
Less: Deferred asset for deferred tax liability		959.40	-
Total tax expense		255.79	2,929.91
Profit for the year		10,290.86	10,974.74
Significant accounting policies	1		
Expenditure during construction period (net)	28		
Earnings per equity share (Par value ₹ 10/- each)	44		
Basic & Diluted (₹)		12.48	13.31

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

There are no exceptional or extraordinary items in the above periods.

For and on behalf of the Board of Directors

(A.K.Rastogi)
Company Secretary

(K.Biswal)
Director (Finance)

(Dr. Arup Roy Choudhury)
Chairman & Managing Director

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

For O. P. Bagla & Co.
Chartered Accountants
Firm Reg. No. 000018N

For PSD & Associates
Chartered Accountants
Firm Reg. No. 004501C

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Reg. No. 003990S/S200018

(Rakesh Kumar)
Partner
M No.087537

(Prakash Sharma)
Partner
M No.072332

(S. Narasimhan)
Partner
M No.206047

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Reg. No. 109208W

For Ramesh C. Agrawal & Co.
Chartered Accountants
Firm Reg. No. 001770C

For A.R. & Co.
Chartered Accountants
Firm Reg. No. 002744C

(Ajay Gupta)
Partner
M No. 090104

(R.C. Agrawal)
Partner
M No.070229

(Pawan K Goel)
Partner
M.No.072209

Place : New Delhi
Dated : 29th May 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED

Particulars	₹ Crore	
	31.03.2015	31.03.2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	10,546.65	13,904.65
Adjustment for:		
Depreciation/amortisation	4,911.65	4,142.19
Prior period depreciation / amortisation	12.12	2.35
Provisions	224.78	156.36
Deferred revenue on account of advance against depreciation	(283.35)	(16.05)
Deferred foreign currency fluctuation asset/liability	236.35	(211.93)
Deferred income from foreign currency fluctuation	(22.50)	516.36
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
Guarantee fee & other finance charges	41.09	38.26
Interest/income on term deposits/bonds/investments	(1,527.88)	(2,042.91)
Dividend income	(276.75)	(138.25)
Provisions written back	(186.15)	(199.87)
Profit on disposal of fixed assets	(4.54)	(12.86)
Loss on disposal of fixed assets	146.05	73.92
	<u>6,374.52</u>	<u>4,675.71</u>
Operating profit before working capital changes	16,921.17	18,580.36
Adjustment for:		
Trade receivables	(2,384.46)	144.92
Inventories	(1,816.80)	(1,084.66)
Trade payables, provisions and other liabilities	584.31	1,372.07
Loans & advances and other current assets	2,850.41	(724.25)
	<u>(766.54)</u>	<u>(291.92)</u>
Cash generated from operations	16,154.63	18,288.44
Direct taxes paid	(1,919.93)	(2,556.26)
Net cash from operating activities - A	14,234.70	15,732.18
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(17,128.27)	(16,739.70)
Disposal of fixed assets	5.69	17.66
Sale of investments	1,636.96	1,622.46
Investment in subsidiaries/joint ventures	(689.26)	(620.24)
Loans & advances to subsidiaries	(148.05)	27.90
Interest/income on term deposits/bonds/investments received	1,787.17	2,349.85
Income tax paid on interest income	(303.59)	(775.89)
Dividend received	276.75	138.25
Net cash used in investing activities - B	(14,562.60)	(13,979.71)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	23,360.37	12,366.65
Repayment of long term borrowings	(4,751.15)	(4,993.49)
Grants received	-	0.65
Security premium received	-	0.23
Interest paid	(5,586.31)	(4,741.40)
Guarantee fee & other finance charges paid	(104.16)	(153.56)
Dividend paid (including bonus debentures)	(12,368.21)	(4,947.28)
Tax on dividend (including tax on bonus debentures)	(2,428.62)	(840.79)
Net cash used in financing activities - C	(1,878.08)	(3,308.99)
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)
Cash and cash equivalents at the beginning of the year (see Note 1&2 below)	15,311.37	16,867.70
Cash and cash equivalents at the end of the period (see Note 1&2 below)	13,105.41	15,311.37
NOTES:		
1. Cash and cash equivalents consist of cheques, drafts, stamps in hand, balances with banks and investments in liquid mutual funds. Cash and cash equivalents included in the cash flow statement comprise of following balance sheet amounts as per Note-16 and Note-19:		
Cash and cash equivalents	279.99	155.32
Deposits included in other bank balances	12,434.57	15,141.27
Earmarked balances*	390.85	14.78
Cash and cash equivalents as restated	<u>13,105.41</u>	<u>15,311.37</u>
* Earmarked balances consist of:		
(a) Deposits towards redemption of bonds due for repayment within one year	100.00	-
(b) Balances with banks including deposits, earmarked for fly ash utilisation reserve fund	36.66	-
(c) Unpaid dividend account balance	14.95	14.19

CASH FLOW STATEMENT FOR THE YEAR ENDED

Particulars	₹ Crore	
	31.03.2015	31.03.2014
(d) Deposits as per court orders	12.21	-
(e) Unpaid interest/refund account balance - tax free bonds	0.30	0.52
(f) Deposits towards public deposit repayment reserve	0.08	-
(g) Balance with banks towards unpaid interest on public deposit	0.03	0.03
(h) Margin money kept with RBI earmarked for fixed deposits from public	-	0.02
(i) Deposited as security with government authorities	0.02	0.02
(j) Investments in liquid mutual funds earmarked for fly ash utilisation reserve fund	226.60	-
	<u>390.85</u>	<u>14.78</u>
2 Reconciliation of cash and cash equivalents as restated		
(a) Cash and bank balances-Note-19	12,878.81	15,311.37
(b) Current investments (investments in liquid mutual funds)-Note-16	226.60	-
	<u>13,105.41</u>	<u>15,311.37</u>
3 Previous year figures have been regrouped/rearranged wherever considered necessary.		

For and on behalf of the Board of Directors

(A.K.Rastogi)
Company Secretary

(K.Biswal)
Director (Finance)

(Dr. Arup Roy Choudhury)
Chairman & Managing Director

This is the cash flow statement referred to in our report of even date

For O. P. Bagla & Co.
Chartered Accountants
Firm Reg. No. 000018N

For PSD & Associates
Chartered Accountants
Firm Reg. No. 004501C

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Reg. No. 003990S/S200018

(Rakesh Kumar)
Partner
M No.087537

(Prakash Sharma)
Partner
M No.072332

(S. Narasimhan)
Partner
M No.206047

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Reg. No. 109208W

For Ramesh C. Agrawal & Co.
Chartered Accountants
Firm Reg. No. 001770C

For A.R. & Co.
Chartered Accountants
Firm Reg. No. 002744C

(Ajay Gupta)
Partner
M No. 090104

(R.C. Agrawal)
Partner
M No.070229

(Pawan K Goel)
Partner
M.No.072209

Place : New Delhi
Dated : 29th May 2015

Notes to the financial statements for the year ended 31st March 2015

1. Significant accounting policies

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) Kutch 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.

2. Share capital

₹ Crore

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>

- 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 3 (c).
- 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	6,180,614,980	74.96	6,184,098,300	75.00
- Life Insurance Corporation of India	817,585,952	9.92	70,67,78,072	8.57

3. 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
	<u>158.38</u>	<u>158.28</u>
Securities premium account		
As per last financial statements	2,228.34	2,228.11
Add : Received during the year	-	0.23
	<u>2,228.34</u>	<u>2,228.34</u>
Bonds/Debtentures 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
	<u>3,624.60</u>	<u>2,764.91</u>

As at	₹ Crore	
	31.03.2015	31.03.2014
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	-
	<u>401.14</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>
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	-
	<u>66,331.63</u>	<u>71,702.80</u>
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	<u>589.50</u>	<u>715.53</u>
Total	<u><u>73,411.89</u></u>	<u><u>77,569.86</u></u>

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.

4. 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

- 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 (Note 1) 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 (Note 1), 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 (Note 1). 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.

5. 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) ^x .	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) ^x	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
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

As at	31.03.2015	31.03.2014
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) ⁱⁱⁱ	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
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	98.00	105.00

As at	31.03.2015	31.03.2014
	₹ Crore	
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
	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

Particulars	₹ Crore					
	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 3 (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 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 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.

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 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	(68.92)	700.62
Disallowances u/s 43B of the Income Tax Act, 1961	392.59	69.46	462.05
	5,554.26	1,044.58	6,598.84
Less: Deferred asset for deferred tax liability	4,502.65	1,117.12	5,619.77
Total	1,051.61	(72.54)	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 3 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.

7. 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 (Note 1), 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.

8. 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.		

9. 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.		

10. 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
	7,463.01	4,764.42
Current maturities of finance lease obligations -Secured	-	0.05

As at	31.03.2015	31.03.2014
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	16,807.62	11,547.60

- 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 5.
- 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.

11. Short-term provisions

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.

12. Tangible assets

₹ Crore

	Gross Block			As at 31.03.2015	Depreciation/Amortisation			Net Block		
	As at 01.04.2014	Additions	Deduction/ Adjustment		Upto 01.04.2014	For the year	Deduction/ Adjustment	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 & helpads	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)	103,536.89	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	116,610.59	8,258.91	(3,192.00)	128,061.50	44,744.73	5,158.90	429.04	49,474.59	78,586.91	71,865.86
Previous year	102,876.14	9,453.32	(4,281.13)	116,610.59	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 3 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 -10 - 'Other Current Liabilities' - as other liabilities.
- 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.
- 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 3 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 31 st March 2015		For the year ended 31 st 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
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

	Gross Block				Depreciation/Amortisation				Net Block	
	As at 01.04.2014	Additions	Deduction/ Adjustment	As at 31.03.2015	Upto 01.04.2014	For the year	Deduction/ Adjustment	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	<u>381.47</u>	<u>19.23</u>	<u>(15.39)</u>	<u>416.09</u>	<u>136.50</u>	<u>17.46</u>	<u>0.03</u>	<u>153.93</u>	<u>262.16</u>	<u>244.97</u>
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 draw 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)
	<u>(15.39)</u>	<u>(4.05)</u>	<u>0.03</u>	<u>(0.28)</u>

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
	<u>5,176.36</u>	<u>4,787.10</u>

13. Capital work-in-progress

₹ Crore

	As at 01.04.2014	Additions	Deductions/ Adjustments	Capitalised	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
	<u>38,826.87</u>	<u>20,829.40</u>	<u>2,415.06</u>	<u>7,001.89</u>	<u>50,239.32</u>
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
	<u>41,120.75</u>	<u>21,709.67</u>	<u>3,119.33</u>	<u>7,001.89</u>	<u>52,709.20</u>
Less: Provision for unserviceable works	69.22	41.95	5.18	-	105.99
Construction stores (net of provision)	<u>3,835.21</u>	<u>24.69</u>	<u>-</u>	<u>-</u>	<u>3,859.90</u>
Total	<u>44,886.74</u>	<u>21,692.41</u>	<u>3,114.15</u>	<u>7,001.89</u>	<u>56,463.11</u>
Previous year	<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>

*Brought from expenditure during construction period (net) - Note 28

- Construction stores are net of provision for shortages pending investigation amounting to ₹ 4.69 crore (previous year ₹ 0.27 crore).
- 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).
- 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

₹ Crore

	As at 01.04.2014	Additions	Deductions/ Adjustments	Capitalised	As at 31.03.2015
Software	-	0.10	-	-	0.10
Exploratory wells-in-progress	9.57	30.15	1.80	-	37.92
	<u>9.57</u>	<u>30.25</u>	<u>1.80</u>	<u>-</u>	<u>38.02</u>
Less: Provision for unserviceable works	7.64	-	-	-	7.64
Total	<u>1.93</u>	<u>30.25</u>	<u>1.80</u>	<u>-</u>	<u>30.38</u>
Previous year	-	1.91	(0.02)	-	1.93

14. Non-current Investments

As at			₹ Crore
	Number of shares/bonds/ securities Current year/ (previous year)	Face value per share/bond/ security Current year/ (previous year) (₹)	31.03.2015
			31.03.2014
Long term - Trade			
Equity instruments (fully paid up - unless otherwise stated)			
Quoted			
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 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
Share application money pending allotment in			
Kanti Bijlee Utpadan Nigam Ltd.			-
Bhartiya Rail Bijlee Company Ltd.			39.51
			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
National Power Exchange Ltd.	2188325 (2188325)	10 (10)	2.53 2.19
Less: Provision for diminution in value			1.06
			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
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

As at			₹ Crore	
			31.03.2015	31.03.2014
	Number of shares/bonds/securities Current year/ (previous year)	Face value per share/bond/security Current year/ (previous year) (₹)		
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
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)	-	
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 (Note 1).
- 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 Gol 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.

- c) 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.
- d) 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.
- e) 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.
- f) M/s Ratnagiri Gas & Power Private Ltd (RGPPL), a joint venture of the company, has accumulated losses of ₹ 2,463.35 crore as at 31st March, 2015 as per unaudited accounts. This includes ₹ 1,904.34 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.
- g) 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.
- h) 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).

15. Long-term loans and advances (Considered good, unless otherwise stated)

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/-)	#	*
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 A. 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	466.28	426.00
	1,696.77	1,786.77

- 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 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 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

₹ Crore

As at			31.03.2015	31.03.2014
	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	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
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 (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	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 (Note 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	0.20	0.03
	17.39	5.94
Others		
Unsecured, considered good	7,587.18	5,214.17
	7,604.57	5,220.11
Less: Allowance for bad & doubtful receivables	0.20	0.03
Total	7,604.37	5,220.08

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
	279.99	155.32
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	12,878.81	15,311.37
# 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
	164.25	14.78

*Includes deposits of ₹ 2750.00 crore (previous year ₹ Nil) with more than twelve months maturity from the date of deposit.

**Refer Note 3 a) regarding fly ash utilisation reserve fund.

20. Short-term loans and advances (Considered good, unless otherwise stated)

	₹ Crore	
As at	31.03.2015	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
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 APIC 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 oostees.		

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	19.05
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 31 st 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 3 (a)]	<u>25.17</u>	<u>-</u>
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 3 (a)]	<u>0.92</u>	<u>-</u>
	-	-
Income tax refunds	36.40	154.54
Less : Refundable to beneficiaries	<u>36.40</u>	<u>80.53</u>
	-	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 3 (a)]	<u>1.60</u>	<u>-</u>
	-	-
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

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
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
	<u>2,318.22</u>	<u>2,751.63</u>
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	<u>2,116.32</u>	<u>2,645.68</u>

a) Interest from others includes interest on advance to APIIC for drawal of water and deposits with LIC towards annuity to the land losers.

b) Miscellaneous income includes income from township recoveries and receipts towards insurance claims.

24. Employee benefits expense

	₹ Crore	
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
	<u>4,620.56</u>	<u>4,767.54</u>
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 3 (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	<u>3,669.78</u>	<u>3,824.78</u>

* 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
	<u>5,608.57</u>	<u>4,819.92</u>
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
	<u>104.16</u>	<u>153.56</u>
Sub-Total	<u>5,712.73</u>	<u>4,973.48</u>
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	<u>2,743.62</u>	<u>2,406.59</u>

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

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
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	146.05	73.92
	5,500.81	5,220.15
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 3 (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	<u>4,979.31</u>	<u>4,543.85</u>
*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

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
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
	210.13	0.08
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
	(103.79)	11.71
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

For the year ended	31.03.2015	31.03.2014
	₹ Crore	
D. Generation, administration & other expenses		
Power charges	95.85	163.61
Less: Recovered from contractors & employees	<u>2.76</u>	<u>1.94</u>
	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	<u>37.59</u>	<u>25.81</u>
	47.92	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
E. Less: Other income		
Interest from contractors	35.92	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)
Grand total (A+B+C+D-E+F)	3,870.06*	3,687.06*

*Carried to Capital work-in-progress - (Note 13)

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	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 recognized 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

	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.

	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	102,742.19	95,781.65	1,530.68	772.12	104,272.87	96,553.77
Unallocated corporate and other assets					92,811.85	83,000.41
Total assets	102,742.19	95,781.65	1,530.68	772.12	197,084.72	179,554.18
Segment liabilities	13,593.72	13,840.48	710.60	378.25	14,304.32	14,218.73
Unallocated corporate and other liabilities					101,123.05	79,520.13
Total liabilities	13,593.72	13,840.48	710.60	378.25	115,427.37	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.

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 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. 1 st November 2014	2. Superannuated on 31 st October 2014

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.	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).

Managerial remuneration to Key management personnel	₹ Crore	
	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

Company	Proportion of ownership interest as at (excluding share application money)	
	31.03.2015 (%)	31.03.2014 (%)
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-11)

Particulars	Balance as at 01.04.2014	Additions during the year	Payments during the year	Reversal / adjustments during the year	₹ Crore
					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

₹ Crore

Particulars	Amount
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

₹ Crore

Name of the company	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 ₹ **567.92 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 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 ₹ **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 14 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 14 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 14 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 14 b.	1.40
Trincomalee Power Company Ltd. (* Srilankan rupees)	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 of 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	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 3)	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 12 & 13)	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	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

For and on behalf of the Board of Directors

(A.K.Rastogi)
Company Secretary

(K.Biswal)
Director (Finance)

(Dr. Arup Roy Choudhury)
Chairman & Managing Director

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

For O. P. Bagla & Co.
Chartered Accountants
Firm Reg. No. 000018N

For PSD & Associates
Chartered Accountants
Firm Reg. No. 004501C

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Reg. No. 003990S/S200018

(Rakesh Kumar)
Partner
M No.087537

(Prakash Sharma)
Partner
M No.072332

(S. Narasimhan)
Partner
M No.206047

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Reg. No. 109208W

For Ramesh C. Agrawal & Co.
Chartered Accountants
Firm Reg. No. 001770C

For A.R. & Co.
Chartered Accountants
Firm Reg. No. 002744C

(Ajay Gupta)
Partner
M No. 090104

(R.C. Agrawal)
Partner
M No.070229

(Pawan K Goel)
Partner
M.No.072209

Place : New Delhi
Dated : 29th May 2015

INDEPENDENT AUDITORS' REPORT

To

The Members of NTPC Limited

Report on the standalone financial statements

We have audited the accompanying standalone financial statements of NTPC Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- (a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
- (b) In the case of Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure 1** a statement on the matters specified in the paragraphs 3 and 4 of the said Order.
2. We are enclosing our report in terms of Section 143 (5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the **Annexure 2** on the directions and sub-directions issued by Comptroller and Auditor General of India.
3. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of written representations received from the directors as at 31st March 2015 and taken on record by the Board of Directors, none of the directors is disqualified from being appointed as a director in terms of Section 164(2) of the Act as on 31st March 2015.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 34, 35 & 52 to the financial statements;
 - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts.
 - There has been no delay in transferring the amount to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made there under by the Company.

For O. P. Bagla & Co.
Chartered Accountants
Firm Reg. No. 000018N

(Rakesh Kumar)
Partner
M No.087537

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Reg. No. 109208W

(Ajay Gupta)
Partner
M No. 090104

For PSD & Associates
Chartered Accountants
Firm Reg. No. 004501C

(Prakash Sharma)
Partner
M No.072332

For Ramesh C. Agrawal & Co.
Chartered Accountants
Firm Reg. No. 001770C

(R.C. Agrawal)
Partner
M No.070229

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Reg. No. 003990S/S200018

(S. Narasimhan)
Partner
M No.206047

For A.R. & Co.
Chartered Accountants
Firm Reg. No. 002744C

(Pawan K Goel)
Partner
M.No.072209

Place : New Delhi
Dated : 29th May 2015

ANNEXURE 1 TO THE AUDITORS' REPORT

Annexure referred to in our report of even date to the members of NTPC LIMITED on the accounts for the year ended 31st March 2015

- (i) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) There is a regular programme of physical verification of all fixed assets over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The inventory has been physically verified by the management at reasonable intervals.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification
- (iii) The Company has not granted any loans, secured or unsecured to any companies, firms or other parties covered in register maintained under Section 189 of the Companies Act, 2013.
- In view of the above, the clauses 3 (iii)(a) and 3 (iii)(b) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for purchase of inventory & fixed assets and for sale of electricity, goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control systems.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder with regard to the deposits accepted from the public except deposits obtained by the Company from the dependants of employees who die or suffer permanent total disability for which the Company has applied Ministry of Corporate Affairs, Government of India for continuation of the exemption earlier obtained in respect of applicability of Section 58 A of the Companies Act, 1956, which is still awaited (refer Note 10 d). No order has been passed with respect to Section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal.
- (vi) We have broadly reviewed the accounts and records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 read with Companies (Cost Records & Audit) Rules, 2014 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.
- (vii) (a) Undisputed statutory dues including provident fund, income tax, sales-tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as on 31st March 2015 for a period of more than six months from the date they became payable. We have been informed that employees' state insurance is not applicable to the Company.
- (b) The disputed statutory dues aggregating to ₹ 288.77 crore that have not been deposited on account of matters pending before appropriate authorities are detailed below:

Sl.No	Name of Statute	Nature of dues	Forum where the dispute is pending	₹ crore
1	Central Sales Tax and Sales Tax/VAT Acts of various states	Sales Tax / VAT	Additional Commissioner of Sales Taxes	6.69
			Commissioner of Sales Tax	14.12
			High Court	231.40
			Sales/Trade Tax Tribunal	20.74
			Joint Commissioner (Appeal) Trade tax	1.16
			Appellate Tribunal	0.13
2.	Central Excise Act, 1944	Central Excise Duty/Service tax	CESTAT & Appellate Tribunal of CEST	2.49
3.	Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	11.61
			Income Tax Officer	0.43
Total				288.77

- (c) According to the information and explanations given to us, the Company has transferred the amount required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made there under.
- (viii) The Company has no accumulated losses and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (x) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us, the term loans have been applied for the purpose for which they were obtained.
- (xii) According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds has been committed on or by the Company during the year.

For O. P. Bagla & Co.
Chartered Accountants
Firm Reg. No. 000018N

(Rakesh Kumar)
Partner
M No.087537

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Reg. No. 109208W

(Ajay Gupta)
Partner
M No. 090104

For PSD & Associates
Chartered Accountants
Firm Reg. No. 004501C

(Prakash Sharma)
Partner
M No.072332

For Ramesh C. Agrawal & Co.
Chartered Accountants
Firm Reg. No. 001770C

(R.C. Agrawal)
Partner
M No.070229

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Reg. No. 003990S/S200018

(S. Narasimhan)
Partner
M No.206047

For A.R. & Co.
Chartered Accountants
Firm Reg. No. 002744C

(Pawan K Goel)
Partner
M.No.072209

Place : New Delhi
Dated : 29th May 2015

ANNEXURE 2 TO THE AUDITORS' REPORT

Annexure referred to in our report of even date to the members of NTPC LIMITED on the accounts for the year ended 31st March 2015

Sl. No.	Directions / Sub-Directions	Action Taken	Impact on financial statement
A. Directions			
1	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed and General Reserves) may be examined including the mode and present stage of disinvestment process.	The Company has not been selected for disinvestment during the financial year 2014-15.	Not applicable
2	Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons therefor and the amount involved.	According to information and explanations given to us, there are no cases of waiver/write off of debts/loans/interest etc.	Nil
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities?	Proper records are maintained for inventories lying with third parties and also for assets received as gift from Government or other authorities.	Nil
4	A report on age-wise analysis of pending legal/arbitration cases including the reasons of pendency and existence/effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.	The Company has 4,126 pending legal/arbitration cases. The age-wise classification obtained from the management is as under: More than 3 years 2,803 Two to three years 561 One to two years 378 Less than one year 384 These cases are pending for hearing /disposal at the respective forums. The Company has a system for monitoring expenditure on legal cases (foreign and local) which in our view is effective	Nil
B. Sub - Directions			
1	Whether proper accounting / disclosure of the disputed amount with Coal India Limited (CIL) and its Subsidiaries related to quality of coal has been made in the books of Accounts of NTPC Limited?	In accordance with the principles approved by the Board of Directors of the Company, the dispute with Coal India Limited (CIL) and its Subsidiaries on account of Gross Calorific Value (GCV) has been settled as detailed in Note 32.	Nil
2	Whether NTPC has billed / recovered the amount paid to CIL and its subsidiaries on settlement of disputes relating to quality of coal from the beneficiaries and whether any beneficiary disputed such a claim?	The Company has billed the amount paid to CIL and its subsidiaries on settlement of disputes relating to quality of coal and the amount billed have been realized or in the process of realization. None of the beneficiaries have disputed the amount billed by the Company on this account.	Nil

For O. P. Bagla & Co.
Chartered Accountants
Firm Reg. No. 000018N

(Rakesh Kumar)
Partner
M No.087537

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Reg. No. 109208W

(Ajay Gupta)
Partner
M No. 090104

For PSD & Associates
Chartered Accountants
Firm Reg. No. 004501C

(Prakash Sharma)
Partner
M No.072332

For Ramesh C. Agrawal & Co.
Chartered Accountants
Firm Reg. No. 001770C

(R.C. Agrawal)
Partner
M No.070229

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Reg. No. 003990S/S200018

(S. Narasimhan)
Partner
M No.206047

For A.R. & Co.
Chartered Accountants
Firm Reg. No. 002744C

(Pawan K Goel)
Partner
M.No.072209

Place : New Delhi
Dated : 29th May 2015

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NTPC LIMITED FOR THE YEAR ENDED 31 MARCH 2015 AND MANAGEMENT REPLIES THEREON

Comment	Management Reply
<p>The preparation of financial statements of NTPC Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the Standards of Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 May 2015.</p> <p>I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of NTPC Limited for the year ended 31 March 2015. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matter under Section 143 (6)(b) of the Act which has come to my attention and which in my view is necessary for enabling a better understanding of the financial statements and the related Audit Report:</p> <p>Balance Sheet Fixed Assets Tangible Assets (Note No.12) Capital Expenditure on assets not owned by the Company (Net Block)- ₹ 54.40 crore Capital work-in-progress - (Note No.13) Capital Expenditure on assets not owned by the Company - ₹ 76.37 crore</p> <p>As per provisions of AS-10 highlighted by the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) in their opinion of May 2010 reiterated in July 2011, the expenditure incurred on enabling assets not owned by the Company should be charged off to revenue in the accounting period in which such expenditure is incurred.</p> <p>The Company, however, capitalized the expenditure incurred on assets not owned by the Company. The Company was requested (September 2014) by Audit, to revise its Accounting Policy in line with the opinion given by EAC of ICAI, if the decision of EAC on the review application of NTPC of October 2011 is not received till finalization of annual accounts of the Company for 2014-15. Though the decision of EAC of ICAI in the matter raised by the Company was not received till finalization of the accounts for 2014-15, the Company did not revise its Accounting Policy on enabling assets not owned by the Company in the current year.</p> <p>The Company stated that based on their follow up, ICAI issued Exposure Draft of AS-10 which would replace the existing AS-10. The issue is being addressed in the revised AS-10. The reply is to be viewed against the fact that Revised AS-10 has not yet been notified and is likely to have prospective application. Therefore, booking of expenditure on enabling assets not owned by the Company under Tangible Assets and Capital work in progress up to March 2015 has resulted in understatement of "Expenses" by ₹ 130.77 crore and overstatement of "Tangible Assets" (Net block) by ₹ 54.40 crore as well as "Capital work in progress" by ₹ 76.37 crore. Consequently, profit for the year is also overstated by ₹ 130.77 crore.</p>	<p>The Company is a Rate Regulated Entity. Accounting of capital expenditure on the assets not owned by the Company was being done by the Company considering the Guidance Note on 'Treatment of Expenditure during Construction Period' since long. With the withdrawal of the above guidance note, accounting of such expenditure is being done in line with the provisions of Para 9.1 and 10 of AS 10 on 'Accounting for Fixed Assets' which provides that expenditure on assets which is directly attributable to the construction of the power project should be capitalized.</p> <p>The balances appearing under the head 'Capital expenditure on assets not owned by the company' in Tangible Assets and Capital Work-in-Progress represents expenditure incurred on roads, construction power lines, etc.</p> <p>Expenditure incurred on these assets is directly attributable to the construction of the power projects without which the construction of projects of the Company would not be possible. In the opinion of the Management, such expenditure is necessary for bringing the asset to the location and condition necessary for it to be capable for operating in the manner intended by the management.</p> <p>Accordingly, a reference has been made to the Expert Advisory Committee of the Institute of Chartered Accountants of India for review of its opinion which is still awaited. Pending disposal of the reference, the company has continued its existing practice of capitalization of such expenditure which has been followed consistently over the years. This has also been disclosed in Note No.12 (h) of the financial statements.</p>

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

(Tanuja S.Mittal)

Principal Director of Commercial Audit & Ex-officio
Member, Audit Board – III, New Delhi

For and on behalf of the
Board of Directors

(Dr.Arup Roy Choudhury)

Chairman and Managing Director

Place : New Delhi
Dated: 27 July 2015

Place : New Delhi
Dated : 30 July,2015

EMPLOYEE COST SUMMARY

Description	2010-11	2011-12	2012-13	2013-14	₹ Crore 2014-15
A. Salary, Wages and benefits (Incl. Provident fund and other contributions)	3101.83	3461.58	3774.64	4323.07	4043.06
B. Other Benefits					
1. Welfare Expenses	143.70	131.91	193.40	248.30	369.95
2. Township	111.64	120.08	136.33	163.53	194.85
3. Educational and School facilities	24.45	23.95	11.99	12.98	13.33
4. Medical Facilities	120.34	116.30	130.24	160.27	168.76
5. Subsidised Transport	5.04	5.31	7.55	6.08	7.51
6. Social and Cultural activities	14.84	11.62	7.51	13.06	12.77
7. Subsidised Canteen	22.23	27.46	32.91	35.22	39.29
Total (B)	442.24	436.63	519.93	639.44	806.46
Total (A+B)	3544.07	3898.21	4294.57	4962.51	4849.52
8. Year end No. of Employees	23,797	24,011	23,865	23,411	22,496
9. Average No. of Employees	23,770	23,904	23,938	23,638	22,954
10. Average Salary, wages and benefits per employee per annum (₹)	1,304,935	1,448,117	1,576,840	1,828,865	1,761,375
11. Average Cost of Other Benefits per employer per annum (₹)	186,050	182,660	217,199	270,514	351,337
12. Average cost of employees remuneration and benefits per annum (₹)	1,490,985	1,630,777	1,794,039	2,099,379	2,112,712

Note: 1. Staff welfare expenses are net of amounts included in Sl. no. 2 to Sl. no. 7.

Revenue Expenditure on Social Overheads for the year ended 31st March 2015

S.No	Particulars	Township	Educational & School Facilities	Medical Facilities	Subsidised Transport	Social and Cultural Activities	Subsidised Canteen	Total	₹ Crore Previous Year
1	Payment to Employees	52.41	-	158.43	0.48	-	-	211.32	228.29
2	Materials Consumed	15.45	-	10.09	-	-	-	25.54	26.63
3	Rates & Taxes	1.84	-	-	-	-	-	1.84	2.71
4	Welfare Expenses	2.78	8.85	144.40	4.81	12.43	39.09	212.36	200.83
5	Others incl. Repairs & Maintenance	159.03	2.17	19.14	3.20	-	0.01	183.55	147.87
6	Depreciation	41.22	2.32	2.13	-	0.34	0.19	46.20	48.72
7	Sub Total (1 To 6)	272.73	13.34	334.19	8.49	12.77	39.29	680.81	655.05
8	Less: Recoveries	25.47	0.01	7.00	0.50	-	-	32.98	35.62
9	Net Expenditure (7-8)	247.26	13.33	327.19	7.99	12.77	39.29	647.83	619.43
10	Previous Year	226.61	13.05	325.30	6.19	13.06	35.22	619.43	

SUBSIDIARY COMPANIES
NTPC ELECTRIC SUPPLY COMPANY LIMITED

(A wholly owned subsidiary of NTPC Limited)

DIRECTORS' REPORT

To

Dear Members,

Your Directors have pleasure in presenting the Thirteenth Annual Report on the working of the Company for the financial year ended on 31st March 2015 together with Audited Financial Statement, Auditors' Report and Review by the Comptroller & Auditor General of India for the reported period.

FINANCIAL RESULTS

(₹ Crore)

	2014-15	2013-14
Total Revenue	23.64	38.89
Total Expenses	22.04	19.13
Profit/(Loss) before Tax	1.60	19.76
Tax expenses	0.33	-
Profit/(Loss) after Tax	1.27	19.76

DIVIDEND

During the financial year 2014-15, Directors have not recommended any dividend.

OPERATIONAL REVIEW

Your Company is engaged in the electricity distribution sector in various segments.

Your Company's distribution Joint Venture Company, KINESCO Power and Utilities Private Limited, engaged in retail distribution of electricity in an industrial area of Kochi, Kerala, recorded net sales of ₹46.59 crore during the financial year 2014-15. KINESCO has earned a profit of ₹0.40 crore during the financial year 2014-15. Your Company is disassociating with the business of retail distribution of power through its Joint Venture KINESCO.

During the financial year, your Company has completed nine rural electrification projects on deposit work basis under the Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY). Cumulatively, out of 30 RGGVY projects, 26 projects have been completed.

Your Company has also undertaken turnkey execution job on deposit work basis for setting up electrical distribution network within 5 kms of NTPC projects/stations. Out of the eight awarded projects two projects were completed in the financial year. Cumulatively, six projects have been completed.

A detailed discussion on operations and performance for the year is given in "Management Discussion and Analysis", Annexure - I included as a separate section to this report.

FIXED DEPOSITS

The Company has not accepted any fixed deposit during the financial year ended 31st March 2015.

AUDITORS' REPORT

The Comptroller & Auditor General of India (C&AG) appointed M/s. P.R.Kumar & Company, Chartered Accountants as the Statutory Auditors of the Company for the financial year 2014-15.

In their report, the Statutory Auditors of the Company have drawn attention of the members on four issues. The first issue calls attention to the use of the going concern concept as brought out in Note - 1 read alongwith Note No.20 to the Financial Statements of the Company for the year. The Auditors have mentioned that the parent company is going to take over all the existing operations together with all the assets and liabilities in relation to such operations at book values on the date of the financial statements, and these conditions along with other matters set forth in Note No. 20 indicate the material uncertainty that may cast significant doubt about the Company's ability to continue as a Going Concern. The Auditors further mention that however, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said note.

The second issue highlighted by the Auditors pertains to Note-1 'Accounting policies' para no. 5.1 pertaining to recognition of revenue from Project Management Services on the basis of actual progress / technical assessment. The Auditors have mentioned that they have relied upon the estimates given by the technical experts about the percentage of completion of each of the project, however, the company has written back the income, amounting

to ₹ 28,58,91,000/- recognized during earlier and current year due to the errors in determination of the project cost as explained in Note No. 30 to the Financial Statements.

Further, Project cost considered for recognition of income is also subject to final reconciliation with Contractors, REC Limited (Nodal Agency for RGGVY Projects under Xth and XIth Plan of Govt of India) and State Government.

The Third issue highlighted by the Auditors pertains to Note No. 31 to the Financial statements relating to Revenue Recognition under RGGVY Projects under XIIth Plan read alongwith the Note No. 20, regarding recognition of income amounting to ₹21,57,00,000 apportioned on the basis of activities undertaken by the company with the assumption that the Parent Company will continue with such partially executed project work.

The fourth issue highlighted by the Auditors pertains to Note No. 33 of Notes to Financial Statements, relating to netting off of expenses amounting to ₹16,36,67,754 as the reimbursement of expenditure incurred by the company over and above service charges from the respective agency, in relation to Project executed under the Xth and XIth Plan of RGGVY, under the Corporate Social Responsibility Programme of the Parent Company and the allocation of expenditure towards Xth and XIth Plan of abovesaid Yojna is based on the time allocation done by the company on estimation basis. The auditors have also mentioned that they are not able to comment upon the time allocation in the absence of any documentary evidence for the same.

All the above issues have been adequately explained in the relevant notes to the accounts.

C&AG REVIEW

The Comptroller and Auditor General (C&AG) of India, through letter dated 3rd July 2015 have communicated that based on the financial reporting by the Management and the independent audit carried out by Statutory Auditors, C&AG has decided not to conduct the Supplementary Audit of the Financial Statements of the Company for the year ended 31st March 2015 and as such have no comments to make under Section 143(6)(b) of the Act. A copy of the letter issued by C&AG in this regard is placed after report of Statutory Auditors of your Company.

PARTICULARS OF EMPLOYEES

As per Notification dated June 5, 2015 issued by the Ministry of Corporate Affairs, exempting the Government Companies to comply with the provisions of Section 197 of the Companies Act, 2013 and corresponding rules of Chapter XIII. As your company is a Government company, the information has not been included as a part of the Directors' Report.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 (3) (c) and Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2014-15 and of the profit of the company for that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors had prepared the annual accounts on a going concern basis; and
- (v) the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS

During the financial year consequent upon superannuation from services of NTPC Limited Shri N. N. Misra, (DIN: 00575501), has ceased to be the Director of the Company.

The Board of Directors, consequent upon nomination received from NTPC Limited, appointed Shri Janardan Kar, (DIN: 03584953) Executive Director (Business Development), NTPC Limited as an Additional Director who holds office up to the date of this Annual General Meeting and is eligible for appointment. The Company has received a requisite notice in writing from NTPC Limited, proposing his candidature for the office of Director liable to retire by rotation.

NTPC ELECTRIC SUPPLY COMPANY LIMITED

In accordance with the provisions of Companies Act, 2013, Shri U.P. Pani, (DIN: 03199828) Director shall retire by rotation at this Annual General Meeting of your Company and, being eligible, offers himself for re-appointment.

Number of meetings of the Board

During the financial year under review, 8 meetings of the Board of Directors were held on the following dates:

Date of Board Meeting	Total strength of the Directors	No. of Directors present
May 3, 2014	4	4
June 28, 2014	4	3
July 18, 2014	4	3
August 27, 2014	4	4
November 4, 2014	4	4
January 19, 2015	4	4
January 19, 2015	4	4
March 24, 2015	4	4

The details of the number of meetings attended, during the financial year under review, by each director are as follows:

Name of the Director	Designation	Board meetings attendance during 2014-15
Dr. Arup Roy Choudhury	Chairman	8
Shri N.N. Misra (ceased w.e.f.4.11.2014)	Director	2
Shri U.P. Pani	Director	8
Shri Kulamani Biswal	Director	8
Shri J. Kar (Director w.e.f 4.11.2014)	Director	4

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The company has not given any loans or guarantees or made any investment covered under the provisions of section 186 of the Companies Act, 2013.

MATERIAL CHANGES AND COMMITMENTS

During the financial year under review your Company has transferred and vested existing operations, with effect from April 1, 2015, namely but not limited to

- (i) Deposit works under Rajiv Gandhi Gramin Vidyutikaran Yojana; and
- (ii) other deposit / consultancy works,

together with all assets and liabilities including but not limited to contracts, agreements, licenses, permits, rights, obligations, consents and approvals relating to existing operations of the Company to NTPC Limited, the holding company.

Your Company was incorporated for the distribution business and later started deposit and consultancy works. The transfer and vesting of existing operations would enable a focused business approach by the Company in the area of distribution, the objective for which the Company was incorporated. The aforesaid transaction may initially affect the financial position of the Company.

EXTRACT OF ANNUAL RETURN

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

PARTICULAR OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

As per requirement of Section 188 (2) of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014, particulars of contracts or arrangements, during the financial year 2014-15, with related parties referred to in Section 188 (1) of the Companies Act, 2013 in form AOC-2 is given under Annexure-III.

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

There are no significant particulars, relating to conservation of energy, technology absorption under Rule 8 of the Companies (Accounts) Rules, 2014. During the period under review, there are no foreign exchange earnings. An expenditure of ₹ 0.004 crore in foreign currency has been incurred mainly towards travelling of employees and other payments/ reimbursements during the financial year under review as compared to ₹0.02 crore expenses incurred towards travelling of employees during the financial year 2013-14.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, your company has constituted the Corporate Social Responsibility (CSR) Committee consisting of 3 directors.

During the financial year under review one meeting of the CSR committee was held on January 19, 2015.

The details of the number of CSR committee meeting attended, during the financial year under review, by each director are as follows:

Name of the Director	Designation	CSR Committee meetings attendance during 2014-15
Dr. Arup Roy Choudhury	Chairman	1
Shri U.P. Pani	Director	1
Shri Kulamani Biswal	Director	1

As per the requirement of Section 135 of the Companies Act, 2013 and Rule 8 (1) of the Companies (Corporate Responsibility Policy) Rules, 2014 the annual report on CSR activities are at Annexure-IV.

ACKNOWLEDGEMENT

The Board of Directors wishes to place on record its appreciation for the support, contribution and co-operation extended by the Ministry of Power, various state governments, state utilities, customers, contractors, vendors, the Auditors, the Bankers, NTPC Limited and the untiring efforts made by all employees to ensure that the company continues to perform and excel.

For and on behalf of the Board of Directors

(Dr. ARUP ROY CHOUDHURY)
CHAIRMAN
DIN: 00659908

Place : New Delhi
Date : 28th July, 2015

ANNEXURE - I

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

DISTRIBUTION

The electricity sector in India has been operated under a monolithic structure. With the growing requirements for improvement in the sector, various models to bring in improvements and investments into the sector have been contemplated. Unbundling of the state electricity boards into functional companies is already a reality. In order to bring in accelerated improvements, further restructuring of the distribution segment is being contemplated. Restructuring contemplates breaking down the distribution business into smaller business units, with induction of expertise from private sector management, through - Distribution Franchisee Operations.

Distribution and retail supply is the most important component in the power sector value chain which interfaces with end customers and provides revenue for the entire value chain. Sustenance of other sector like manufacturing & production etc. is dependent on the commercial performance and financial viability of the distribution sector in India. Over the past 15-16 years, a number of states have worked to improve the commercial performance of their state utilities, unbundling state entities, creating independent regulatory systems, and putting in place measures to control losses and theft. However, progress has been difficult and slower than envisaged.

There is substantial potential for reform and growth in distribution sector where industrial and commercial consumers are willing to pay commensurate tariffs for quality and reliable power whereas Discoms due to their poor financial condition are unable to purchase power and service the customers. Keeping this in mind, your Company is contemplating for acquisition of distribution circles either through franchisee bidding mode/ PPP or through acquisition on nomination basis.

STRENGTH AND WEAKNESS

Your Company's strength lies in its association with a strong promoter viz. NTPC Limited having a formidable track record in power project, engineering, construction, commissioning, operation and maintenance for the last 40 years. NTPC's formidable network, rapport and credibility with customer utilities, Discoms, its downstream power market and trading arm are added advantages to your Company.

The professional manpower from NTPC Ltd., on secondment at your Company, has been able to leverage the knowledge gained from power project engineering and execution to the distribution sector as well.

Your Company is exposed to the risk arising out of (i) delay in release of funds from owners /clients in the execution of deposit works on their behalf; (ii) Project taking over by the client and (iii) the risk of reduction in profit margins in case of time overrun of projects.

NTPC ELECTRIC SUPPLY COMPANY LIMITED

OPPORTUNITIES AND OUTLOOK

The Electricity Act, 2003 and Government of India scheme for Financial Restructuring of State owned Distribution Companies for financial turnaround by restructuring their debt with support through a Transitional Finance Mechanism, has provided an opportunity to your Company to get involved aggressively in distribution business in cities and other areas. In the Financial Restructuring program, involvement of private participation in any mode has been made a mandatory condition for getting financial assistance from government. To bring in competition and efficiency in the supply of electricity with more than one supply licensee offering supply of electricity to consumers in the same area, separation of carriage (wire network) and content (electricity) in the distribution sector is being looked at by the Government of India. Ministry of Power is planning to introduce multiple supply licensees in the content (electricity supply business) based on market principles. In this regard Power Ministry has proposed various amendments in certain sections of the Electricity Act, 2003. The proposed amendments will mandate distribution licensees to only operate and maintain the distribution system (wire business) with no concern for commercial supply of electricity. Your Company is continuously looking into these opportunities for making a footprint in this changed scenario of electricity distribution business as Distribution Network Operator and supply licensee as well.

RISKS AND CONCERNS

So far the main thrust area of your Company has been project implementation on deposit work basis under RGGVY. With the completion of RGGVY and other consultancy assignments, Company is finding it difficult to sustain with the existing manpower resources. The frittering away of manpower which has gathered experience and capability in distribution engineering and execution, is another concern. In absence of any sustainable revenue source your Company, in order to address this concern, has been repatriating manpower back to NTPC Limited.

Although new Electricity Act, 2003 provides ample opportunities to new players in the field of retail distribution but in reality the state owned Discoms have not implemented the same in spirit. The Act envisaged growth of electricity distribution business through private licensees, introduction of open access and phased withdrawal of cross subsidy. But, so far, these regulations are quite far from realization. Therefore, one of the major risks anticipated by your Company is inability to make a perceptible presence in the distribution sector under prevalent scenario.

Your Company being the wholly owned subsidiary of NTPC Limited is governed by the framework of Risk Management in NTPC Limited. Key risks are regularly monitored through reporting of key performance indicators of identified risks.

INTERNAL CONTROL

Your Company has adequate internal control systems and procedures in place commensurate with the size and nature of its business. Your Company has adopted the internal control system of its holding company viz. NTPC Limited. The authorities vested in various levels are exercised within framework of appropriate checks and balances. The effectiveness of the checks and balances and internal control systems are reviewed during internal audit carried out by Internal Audit Department of NTPC Limited. An independent internal audit is also carried out by experienced firm of Chartered Accountants in close co-ordination with departments of the Company and Internal Audit Department of NTPC Limited.

PERFORMANCE DURING THE YEAR

Operations

During the year under review, your Company has undertaken rural electrification projects under RGGVY in the states of Madhya Pradesh, Chhattisgarh, Orissa, Jharkhand and West Bengal. Out of 30 RGGVY projects, physical work of 26 projects has been completed. Work is in progress in balance four projects which are expected to complete in FY 2015-16.

In the implementation of electrical distribution network within 5 kms radius of NTPC projects/ stations, work has been completed in 6 projects/stations and balance 2 projects are expected to be completed in next financial year 2015-16.

Your Company has undertaken turnkey execution job on deposit work basis for setting up sub-station, transmission line and associated system along with street lighting for the coal mining project of NTPC at Pakri Barwadih, Chatti-Bariatu and Kerandari in the state of Jharkhand. Your Company has also undertaken turnkey execution job for construction power works for NTPC Lara, Gadarwara and Darlipalli projects.

Your Company is in dialog with SAIL Bokaro Steel Plant administration which has invited your Company to explore possibilities of power distribution business at Bokaro Steel City Township. The Company has sent its proposal for taking over of SAIL Bokaro/ Bhilai Townships distribution work on

Management Control basis for improvement in the areas of technical, commercial and distribution losses.

Your Company is also in discussion with government of Rajasthan to undertake the development and modernization of the distribution system in select cities of Rajasthan through Distribution Franchisee (DF)/ Public Private Partnership (PPP) mode. Company has approached the Energy Department, Government of Rajasthan with a suggestive Qualification Requirements (QR) to be adopted by the Discoms of Rajasthan so as to enable the Company to participate in the bidding process.

As a Policy advocacy measure, your Company has approached Ministry of Power (MOP) for modifying QR of Standard Bidding Document (SBD) for appointment of DF issued by MOP, for enabling the Company to enter in retail distribution through DF mode.

During the financial year under review your Company has transferred and vested following existing operations, with effect from April 1, 2015,

- (i) Deposit works under Rajiv Gandhi Gramin Vidyutikaran Yojana; and
- (ii) other deposit / consultancy works,

together with all assets and liabilities including but not limited to contracts, agreements, licenses, permits, rights, obligations, consents and approvals relating to existing operations of the Company to NTPC Limited, the holding company.

Your Company was incorporated for the distribution business and later started deposit and consultancy works. The transfer and vesting of existing operations would enable a focused business approach by the Company in the area of distribution, the objective for which the Company was incorporated.

Financial Performance

The main revenue of your Company has been realized by consultancy, project management and supervision fees.

(₹ Crore)

	2014-15	2013-14
Revenues from Operations	16.85	28.20
Other income	6.79	10.69
Total	23.64	38.89

Revenue from RGGVY projects during the financial year 2014-15 contributed approx. 37.63% of total sales as compared to 44.77% in the previous financial year. Interest from banks contributed 99.72% of the total other income as compared to 100% in the previous financial year.

The expenditure incurred by your Company on account of Employee benefits expense and Administration & other expenses for the current financial year as well as previous financial year is as follows:

(₹ Crore)

	2014-15	2013-14
Employee benefits expense	6.95	12.62
Administration & other expenses	4.04	6.34
Prior period items (Net)	10.93	-
Total operating expenses	21.92	18.96

The decrease in total operating expenses (excluding prior period items) was mainly due to closing of a number of sites on completion of scope of some projects, rationalization of manpower as well as reimbursement from NTPC of expenditure incurred over and above income from RGGVY projects from REC.

The total expenses including operating expenses of the Company are as follows:-

(₹ Crore)

	2014-15	2013-14
Total operating expenses	21.92	18.96
Depreciation and amortization expense	0.12	0.17
Total expenses including operating expenses	22.04	19.13
Total operating expenses	21.92	18.96

The depreciation cost as compared to total expense is negligible since the fixed assets are represented by furniture and fixtures, EDP machines etc. and the Gross Block was of the order of ₹1.46 Crore as on 31.3.2015.

(₹ Crore)

	2014-15	2013-14
Profit/(Loss) before tax	1.60	19.76
Tax expenses	0.34	-
Profit / (Loss) for the year	1.26	19.76

NTPC ELECTRIC SUPPLY COMPANY LIMITED

During the current financial year, the Company has earned a profit of ₹1.26 Crore as compared to profit of ₹19.76 Crore during the previous financial year. The decrease in profit during the financial year was mainly due to reduction in scope and final executed cost of some projects as compared to awarded/amended cost, affecting total service charges that can be realized by the Company, resulting in writing back of income recognized earlier.

Reserves & Surplus

During the current financial year a sum of ₹1.01 Crore has been added to Reserves and Surplus as compared to ₹12.74 Crore transferred during the previous year.

Current Assets

The current assets at the end of the financial year under review were ₹590.89 Crore as compared to ₹725.79 Crore in previous year.

(₹ Crore)

	31.3.2015	31.3.2014
Trade receivables	34.89	8.09
Cash and bank balances	502.10	650.65
Short-term loans and advances	-	0.65
Other current assets	53.90	66.40
Total Current Assets	590.89	725.79

The decrease in current assets was mainly on account of utilization of cash and bank balances for progressive contract payments.

Current Liabilities

During the financial year 2014-15, current liabilities have decreased to ₹603.20 Crore as compared to ₹733.87 Crore in the financial year 2013-14 mainly on account of decrease in other current liabilities relating to deposit works.

(₹ Crore)

	31.3.2015	31.3.2014
Trade payables	19.01	5.77
Other current liabilities	584.19	721.08
Short-term provisions	-	7.02
Total Current Liabilities	603.20	733.87

Cash Flow Statement

(₹ Crore)

	2014-15	2013-14
Opening Cash and cash equivalents	650.65	786.96
Net cash from operating activities	(148.22)	(152.02)
Net cash from investing activities	6.69	15.71
Net cash flow from financing activities	(7.02)	-
Net Change in Cash and cash equivalents	(148.55)	(136.31)
Closing cash and cash equivalents	502.10	650.65

The closing cash and cash equivalents for the financial year ended March 31, 2015 has decreased to ₹502.10 Crore from ₹650.65 Crore.

Financial Indicators

The various performance indicators for the current year as compared to previous year are as under:

	2014-15	2013-14
Capital employed in ₹Crore	41.74	40.73
Net worth in ₹Crore	41.74	40.73
Return on capital employed (PBT/CE)	3.84%	48.50%
Return on net worth (PAT/NW)	3.03%	48.50%
Dividend as % of equity capital	-	7415.65
Earning per share in ₹	156.40	2441.95

The capital employed as well as net worth has increased due to profit earned during the financial year 2014-15.

Human Resources

As on 31st March 2015, there were 73 employees posted on secondment basis from holding company viz NTPC Limited. The NESCL manpower structure/resource is reviewed from time to time to align it with the requirements of its assignments. To achieve ambitious targets, the Company has drawn professional manpower from NTPC who have rich experience in dealing in various technical, financial and commercial issues.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations are "forward-looking" statements within the meaning of applicable laws and regulations. Actual results may vary materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the markets in which the Company operates, changes in Government regulations & policies, tax laws and other statutes and incidental factors.

For and on behalf of the Board of Directors

(Dr. ARUP ROY CHOUDHURY)
CHAIRMAN
DIN: 00659908

Place : New Delhi

Date : 28th July, 2015

NTPC ELECTRIC SUPPLY COMPANY LIMITED

ANNEXURE - II

Form No. MGT-9
Extract of Annual Return
as on the financial year ended on March 31, 2015

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : U40108DL2002GOI116635
ii) Registration Date : August 21, 2002
iii) Name of the Company : NTPC Electric Supply Company Limited
iv) Category / Sub-Category of the Company : Company Limited by shares
v) Address of the Registered office and contact details : NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110 003, Ph. No. 011-24360071
vi) Whether listed company Yes / No : NO
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/Services	NIC code of the Product/service	% to total turnover of the company
1.	Consultancy and deposit works	N.A.	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S.No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
1.	NTPC Limited NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110 003	L40101DL1975GOI007966	Holding	100	Section 2 (46) of the Companies Act, 2013

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF (Nominees of NTPC)	-	700	700	1	-	700	700	1	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp. (NTPC Limited)	-	80,210	80,210	99	-	80,210	80,210	99	-
e) Banks/ FI	-	-	-	-	-	-	-	-	-
f) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	80,910	80,910	100	-	80,910	80,910	100	-
(2) Foreign									
a) NRIs- individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) +A(2)	-	80,910	80,910	100	-	80,910	80,910	100	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/ FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-

NTPC ELECTRIC SUPPLY COMPANY LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
Sub-total (B) (1):-	-	-	-	-	-	-	-	-	-
2. Non-institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	80,910	80,910	100	-	80,910	80,910	100	-

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	NTPC Limited	80,210	99	-	80,210	99	-	-
2.	Nominee of NTPC	700	1	-	700	1	-	-

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

SI No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	80,910	100	80,910	100
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) :	No change	No change	No change	No change
	At the End of the year	80,910	100	80,910	100

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

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

NTPC ELECTRIC SUPPLY COMPANY LIMITED
(v) Shareholding of Directors and Key Managerial Personnel:

Sl No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Dr. Arup Roy Choudhury, Chairman (As Nominee of NTPC Limited)				
	At the beginning of the year	100	-	100	-
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus /sweat equity etc):	No change	No change	No change	No change
	At the End of the year	100	-	100	-
2.	Shri U.P.Pani, Director (As Nominee of NTPC Limited)				
	At the beginning of the year	100	-	100	-
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus /sweat equity etc):	No change	No change	No change	No change
	At the End of the year	100	-	100	-
3.	Shri Kulamani Biswal, Director (As Nominee of NTPC Limited)				
	At the beginning of the year	-	-	-	-
	Equity shares transferred on 28.06.2014, as nominee of NTPC	100	-	100	-
	At the End of the year	100	-	100	-
4.	Shri J Kar, Director (As Nominee of NTPC Limited)				
	At the beginning of the year	-	-	-	-
	Equity shares transferred on 04.11.2014 as nominee of NTPC	100	-	100	-
	At the End of the year	100	-	100	-

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	-	-	-
Change in Indebtedness during the financial year				
• Addition				
• Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

NTPC ELECTRIC SUPPLY COMPANY LIMITED

B. Remuneration to other directors:

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

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

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

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

NTPC ELECTRIC SUPPLY COMPANY LIMITED

ANNEXURE - III

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis		
(a)	Name(s) of the related party and nature of relationship	: NTPC Limited, Holding Company
(b)	Nature of contracts/arrangements/ transactions	: The transaction purports to transfer and vest existing operations, with effect from April 1, 2015, namely but not limited to (i) Deposit works under Rajiv Gandhi Gramin Vidyutikaran Yojana; and (ii) other deposit / consultancy works, together with all assets and liabilities including but not limited to contracts, agreements, licenses, permits, rights, obligations, consents and approvals relating to existing operations of the Company to NTPC Limited, the holding company.
(c)	Duration of the contracts / arrangements/ transactions	: One time transfer and vest existing operations to NTPC Limited, the holding Company.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	: The transactions envisage to transfer and vest existing operations of the Company to its holding company without any monetary consideration.
(e)	Justification for entering into such contracts or arrangements or transactions	: The Company was incorporated for the distribution business and later started deposit and consultancy works. The transfer and vesting of existing operations would enable a focused business approach by the Company in the area of distribution, the objective for which the Company was incorporated.
(f)	Date(s) of approval by the Board	: March 24, 2015
(g)	Amount paid as advances, if any:	: Nil
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	: March 24, 2015
2. Details of material contracts or arrangement or transactions at arm's length basis		
(a)	Name(s) of the related party and nature of relationship	: Not Applicable
(b)	Nature of contracts/arrangements /transactions	: Not Applicable
(c)	Duration of the contracts / arrangements /transactions	: Not Applicable
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	: Not Applicable
(e)	Date(s) of approval by the Board, if any:	: Not Applicable
(f)	Amount paid as advances, if any:	: Not Applicable

For and on behalf of the Board of Directors

(Dr. ARUP ROY CHOUDHURY)
CHAIRMAN
DIN: 00659908

Place: New Delhi
Date: 28th July, 2015

NTPC ELECTRIC SUPPLY COMPANY LIMITED

ANNEXURE - IV

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Keeping in view the size of the Company and manpower required for executing the CSR activities, your Company has adopted the CSR policy of its holding company viz. NTPC Limited and also undertaking CSR activities through NTPC Limited.

NTPC Limited is executing the CSR activities for long and having a formidable set-up for executing CSR activities. The CSR Policy of NTPC Limited is formulated keeping in view the requirements of the Department of Public Enterprises and the Companies Act, 2013. The CSR policy focused on Health, Sanitation, Drinking Water, Education, Capacity Building, Women Empowerment, Social Infrastructure Development, support to Physically Challenged Person (PCPs), and activities contributing towards Environment Sustainability and other subject matter described under schedule VII of the Companies Act, 2013.

2. The Composition of the CSR Committee.

Name of the Director	Designation
Dr. Arup Roy Choudhury	Chairman
Shri U.P. Pani	Director
Shri Kulamani Biswal	Director

3. Average net profit of the company for last three financial years.

The average net profit of the Company for three immediately preceding financial years i.e. 2011-12, 2012-13 and 2013-14 is ₹2.07 crore.

4. Prescribed CSR Expenditure.

The Company as per the requirement of the Companies Act, 2013, is required to spend 2% of ₹2.07 crore i.e. ₹0.04 Crore in the financial year 2014-15.

5. Details of CSR spent during the financial year 2014-15.

(a)	Total amount spent for the financial year	:	₹5,22,333
(b)	Amount unspent, if any	:	Nil
(c)	Manner in which the amount spent during the financial year	:	Detailed below

(1) S.No	(2) CSR project or activity identified.	(3) Sector in Which the Project is covered.	(4) Projects or Programs (1) Local area or other (2)Specify the State and the district where projects or programs was undertaken.	(5) Amount outlay (budget) Project or Programs wise	(6) Amount spent on the Projects or programs Sub-heads: (1) Direct expenditure on projects or programs- (2) Overheads:	(7) Cumulative expenditure upto to the reporting period.	(8) Amount spent: Direct or through implementing agency*
1	Contribution to Swachh Bharat Kosh	National Cleanliness programme of Government of India	N.A.	N.A.	₹4,15,000	₹4,15,000	Through Government of India fund
2.	Donation of old furniture to educational institutions, hospitals in rural areas from closed sites of the Company (under existing CSR policy)	Rural development	N.A.	N.A.	₹1,07,333	₹1,07,333	Through the help of local administration or Panchayats
	TOTAL				₹ 5,22,333	₹ 5,22,333	

6. Reasons for not spending two per cent of the average net profit of the last three financial years or any part thereof.

Not Applicable

7. A responsibility statement of the CSR Committee

The Responsibility Statement of the Corporate Social Responsibility Committee is reproduced below:

The implementation and monitoring of Corporate Social Responsibility Policy, is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

(Rajesh Kumar)
Chief Executive Officer

(Dr. ARUP ROY CHOUDHURY)
CHAIRMAN
DIN: 00659908

Place: New Delhi

Date: 28th July, 2015

NTPC ELECTRIC SUPPLY COMPANY LIMITED

NTPC ELECTRIC SUPPLY COMPANY LIMITED BALANCE SHEET AS AT 31st MARCH, 2015

Particulars	Note	31.03.2015	31.03.2014
(Amount in ₹)			
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	809,100	809,100
Reserves and Surplus	3	416,627,929	406,531,777
		<u>417,437,029</u>	<u>407,340,877</u>
Non-current liabilities			
Deferred tax liabilities (net)	4	-	-
Current liabilities			
Trade payables	5	190,086,386	57,737,346
Other current liabilities	6	5,841,892,044	7,210,753,056
Short-term provisions	7	-	70,215,407
		<u>6,031,978,430</u>	<u>7,338,705,809</u>
TOTAL		<u><u>6,449,415,459</u></u>	<u><u>7,746,046,686</u></u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	8	3,868,320	6,732,301
Intangible assets	8	57,167	106,167
Non-current Investments	9	500,000	500,000
Long Term Loan & Advances	10	536,100,312	480,792,465
		<u>540,525,799</u>	<u>488,130,933</u>
Current assets			
Trade receivables	11	348,955,382	80,895,178
Cash and bank balances	12	5,020,970,736	6,506,531,374
Short-term loans and advances	13	-	6,544,034
Other current assets	14	538,963,542	663,945,167
		<u>5,908,889,660</u>	<u>7,257,915,753</u>
TOTAL		<u><u>6,449,415,459</u></u>	<u><u>7,746,046,686</u></u>

Significant accounting policies 1

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

For and on behalf of the Board of Directors

(Rajesh Kumar) (Kulamani Biswal) (Dr. Arup Roy Choudhury)
Chief Executive Officer Director Chairman

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

For M/S. P R KUMAR & CO.
Chartered Accountants
Firm Reg No. - 003186N

(Rahul Kathuria)
Partner
M. No. 090657

Place : New Delhi
Dated : 18th May 2015

NTPC ELECTRIC SUPPLY COMPANY LIMITED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015

Particulars	Note	31.03.2015	31.03.2014
(Amount in ₹)			
Revenue from operations			
Revenue from operations	15	168,563,071	281,982,132
Other income	16	67,874,797	106,910,386
Total revenue		<u>236,437,868</u>	<u>388,892,518</u>
Expenses			
Employee benefits expense	17	69,481,746	126,221,916
Depreciation and amortization expense	8	1,180,472	1,713,095
Administration & other expenses	18	40,430,595	63,379,010
Prior period Items (Net)	19	109,335,332	-
Total expenses		<u>220,428,145</u>	<u>191,314,021</u>
Profit before tax		<u>16,009,723</u>	<u>197,578,497</u>
Tax expense:			
Current tax			
Current Year (MAT)		3,355,719	41,413,440
Less : MAT Credit Entitlement		-	(41,413,440)
Earlier Years		-	-
Deferred tax			
Current year		-	-
Earlier years		-	-
Total tax expense		<u>3,355,719</u>	<u>-</u>
Profit for the year		<u>12,654,004</u>	<u>197,578,497</u>
Significant accounting policies	1		
Earnings per equity share (Par value of ₹ 10/- each)	23		
Basic		156.40	2,441.95
Diluted		156.40	2,441.95

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

There are no extraordinary items in the above period.

For and on behalf of the Board of Directors

(Rajesh Kumar) (Kulamani Biswal) (Dr. Arup Roy Choudhury)
Chief Executive Officer Director Chairman

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

For M/S. P R KUMAR & CO.
Chartered Accountants
Firm Reg No. - 003186N

(Rahul Kathuria)
Partner
M. No. 090657

Place : New Delhi
Dated : 18th May 2015

NTPC ELECTRIC SUPPLY COMPANY LIMITED

NTPC ELECTRIC SUPPLY COMPANY LIMITED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

	(Amount in ₹)	
	31.03.2015	31.03.2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax	16,009,723	197,578,497
Adjustment for:		
Depreciation	1,180,472	1,713,095
Provisions	-	741,485
Interest Received	(67,683,564)	(106,910,386)
Operating Profit before Working Capital Changes	(50,493,369)	93,122,691
Adjustment for:		
Trade & Other Receivables	(268,060,204)	38,545,304
Trade Payables & Other Liabilities	(1,201,052,209)	(1,474,819,418)
Other Current Assets	89,521,862	(3,426,415)
Loans & Advances	6,544,034	(1,373,046,517)
Cash generated from operations	(1,423,539,886)	(1,342,971,239)
Direct Taxes Paid	58,663,566	177,229,876
Net Cash from Operating Activities - A	(1,482,203,452)	(1,520,201,115)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase / Sale of Fixed Assets	(843,750)	(168,900)
Interest Received	67,683,564	157,349,951
Net cash flow from Investing Activities - B	66,839,814	157,181,051
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(60,000,000)	-
Tax on Dividend	(10,197,000)	-
Net Cash flow from Financing Activities - C	(70,197,000)	-
Net Increase/Decrease in Cash & Cash equivalents (A + B + C)	(1,485,560,638)	(1,363,020,064)
Cash & cash equivalents (Opening balance) (see Note below)	6,506,531,374	7,869,551,438
Cash & cash equivalents (Closing balance) (see Note below)	5,020,970,736	6,506,531,374

Notes: Cash & Cash equivalents consist of Balance with Banks. Cash and cash equivalent included in the cash flow statement comprise of following balance sheet amount as per Note 12.

Cash and cash equivalents	109,779,097	-
Demand deposit included in other bank balance	4,911,191,639	6,506,531,374
	5,020,970,736	6,506,531,374

For and on behalf of the Board of Directors

(Rajesh Kumar) (Kulamani Biswal) (Dr. Arup Roy Choudhury)
Chief Executive Officer Director Chairman

In terms of Our Audit Report attached

For P R KUMAR & CO.
Chartered Accountants
Firm Reg No. - 003186N

(Rahul Kathuria)
Partner
M. No. 090657

Place : New Delhi
Dated : 18th May 2015

Note No. - 1 SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation

The financial statements have been prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India, the applicable 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, 2013 (to the extent notified and applicable) including accounting standards notified there under.

Going Concern Assumption

"The financial statements have been prepared on the assumption of Going Concern basis, accordingly all the assets and liabilities have been reflected at their book value (Refer Note No. 20)

2. 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.

3. Fixed assets

- Tangible Assets are carried at historical cost less accumulated depreciation / amortisation.
- Intangible assets are stated at their cost of acquisition less accumulated amortisation.

4. Investments

- Long term investments are carried at cost. Provision is made for diminution, other than temporary, in the value of such investments.

5. STATEMENT OF PROFIT & LOSS

5.1 Income Recognition

- 5.1.1 Income from consultancy, project management and supervision 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 incidental expenditure are recognised as other income, as per the terms of consultancy service contracts. Adjustment in income accrued due to reduction in scope of work has been recognised as negative income.
- 5.1.2 Interest / surcharge recoverable on advances to suppliers as well as warranty claims / liquidated damages wherever there is uncertainty of realization / acceptance are not treated as accrued and are therefore accounted for on receipt / acceptance.

5.2 Expenditure

- 5.2.1 Depreciation is charged on straight line method following the rates specified in Schedule II of the Companies Act, 2013.
- 5.2.2 Depreciation on the following assets is provided based on their estimated useful life:

a) Photocopiers and Fax Machines	5 years
b) Water Coolers, Refrigerators and Air Conditioners	5 years

- 5.2.3 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.
- 5.2.4 Assets costing up to ₹ 5,000/- are fully depreciated in the year of acquisition.
- 5.2.5 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.
- 5.2.7 Expenses on ex-gratia payments under voluntary retirement scheme and training and recruitment are charged to revenue in the year incurred.
- 5.2.8 Amount received from the holding company (NTPC Limited) towards reimbursement of expenditure incurred over and above the service charges from REC Limited in respect of projects implemented under the RGGVY scheme has been recognised as reduction in expenditure.
- 5.2.9 Expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance are charged to revenue.

NTPC ELECTRIC SUPPLY COMPANY LIMITED

- 5.2.10 Pre-paid expenses and prior period expenses/income of items of ₹ 1,00,000/- and below are charged to natural heads of accounts.
- 5.2.11 Employee Benefits include provident fund, pension, gratuity, post retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits. In respect of employee seconded from NTPC Ltd., company's contribution towards these employee benefits, is determined as a percentage of basic pay and dearness allowance under an agreement, and is recognised in the Statement of Profit and Loss.

6. 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.

7. Cash flow statements

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) 3 on 'Cash Flow Statements'.

8. 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.

Note No. 2 Share Capital

(Amount in ₹)

As at	31.03.2015	31.03.2014
Equity Share Capital		
AUTHORISED		
1,00,00,000 shares of par value of ₹ 10/- each (previous year 1,00,00,000 shares of par value of ₹ 10/- each)	100,000,000	100,000,000
ISSUED, SUBSCRIBED AND FULLY PAID-UP		
80,910 shares of par value of ₹ 10/- each (previous year 80,910 shares of par value of ₹ 10/- each) are held by the holding company, NTPC Ltd. and its nominees.	809,100	809,100

- 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 of ₹ 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.
- c) 80,910 equity shares valuing ₹ 8,09,100 (previous year 80,910 equity shares valuing ₹ 8,09,100) are held by the holding company i.e. NTPC Ltd. and its nominees.

Note No. 3 Reserve and Surplus

(Amount in ₹)

As at	31.03.2015	31.03.2014
Reserves		
General reserve		
As per last balance sheet	94,617,000	74,859,000
Add: Transfer from surplus balance in the statement of profit & loss	-	19,758,000
Less: Adjustments during the year	2,557,852	-
Closing balance	92,059,148	94,617,000
Surplus		
As per last balance sheet	311,914,777	204,291,280
Add: Profit for the year from Statement of Profit & Loss	12,654,004	197,578,497

Less: Transfer to General Reserve		19,758,000
Dividend paid	-	-
Tax on dividend paid	-	-
Proposed dividend	-	60,000,000
Tax on proposed dividend	-	10,197,000
Net Surplus	324,568,781	311,914,777
Total	416,627,929	406,531,777

Note : The company has accounted for amounting to Rs. 2,557,852 as differences in relation to depreciation due to changes taken place as per requirements of Schedule II of the Companies Act, 2013 read with Section 123 of the Companies Act, 2013 and the differences observed have been adjusted through the General Reserve.

Note No. 4 Deferred Tax Liabilities (Net)

The item-wise details of deferred tax liability are as under:

	As at 01.04.2015	Additions/ (Adjustments) during the year	As at 31.03.2015
Difference of book depreciation and tax depreciation	412,728	412,728	-
Less: Deferred tax assets on unabsorbed depreciation	(412,728)	(412,728)	-
Total	-	-	-

Note : On account of uncertainty of future earnings, in reference of Note No. 20, no deferred tax assets / liabilities have been recognised during the financial year.

Note No. 5 Trade Payables

(Amount in ₹)

As at	31.03.2015	31.03.2014
For goods and services	190,086,386	57,737,346
Total	190,086,386	57,737,346

a) No amounts are payable to Micro, Small and Medium Enterprises during the year as well as previous year.

Note No. 6 Other Current Liabilities

(Amount in ₹)

As at	31.03.2015	31.03.2014
Advances from customers and others	318,038,671	89,762,204
Other payables		
Tax deducted at source and other statutory dues	35,762,996	8,018,804
Amount received against deposit works	5,315,513,223	6,848,472,416
Payables to Employees	13,145,877	26,835,157
Payable to NTPC Ltd.	157,420,608	237,631,645
Others - Payable to JV company	2,010,669	32,830
Total	5,841,892,044	7,210,753,056

a) Amounts payable to Micro, Small and Medium Enterprises are NIL. (Previous year - NIL).

Note No. 7 Short Term Provisions

(Amount in ₹)

As at	31.03.2015	31.03.2014
Provision for proposed dividend		
As per last balance sheet	60,000,000	-
Additions during the year	-	60,000,000
Amounts used during the year	60,000,000	-
Closing balance	-	60,000,000
Provision for tax on proposed dividend		
As per last balance sheet	10,197,000	-
Additions during the year	-	10,197,000
Amounts paid during the year	10,197,000	-
Amounts reversed during the year	-	-
Closing balance	-	10,197,000
Provision for shortage in fixed assets pending investigation		
As per last balance sheet	18,407	18,407
Additions during the year	-	-
Amounts reversed during the year	18,407	-
Closing balance	-	18,407
Total	-	70,215,407

NTPC ELECTRIC SUPPLY COMPANY LIMITED

Note No. 8 Non-Current Assets

TANGIBLE ASSETS

(Amount in ₹)

	Gross Block			As at 31.03.2015	Depreciation/Amortisation			Net Block		
	As at 01.04.2014	Additions	Deduction/ Adjustment		Upto 01.04.2014	For the year	Deduction/ Adjustment	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Furniture and Fixtures	5,343,682	12,380	1,989,214	3,366,848	3,346,434	417,310	1,436,339	2,327,405	1,039,443	1,997,248
Office Equipment	5,145,042	67,400	1,802,638	3,409,804	1,661,544	486,389	(470,793)	2,618,726	791,078	3,483,498
EDP, WP Machines and Satcom Equipment	7,916,377	1,741,705	2,551,841	7,106,241	6,664,822	227,773	1,824,154	5,068,441	2,037,800	1,251,555
Total	18,405,101	1,821,485	6,343,693	13,882,893	11,672,800	1,131,472	2,789,700	10,014,572	3,868,320	6,732,301
Previous year	21,008,650	21,900	2,625,449	18,405,101	11,884,502	1,672,262	1,883,964	11,672,800	6,732,301	9,124,148

INTANGIBLE ASSETS

(Amount in ₹)

	Gross Block			As at 31.03.2015	Depreciation/Amortisation			Net Block		
	As at 01.04.2014	Additions	Deduction/ Adjustment		Upto 01.04.2014	For the year	Deduction/ Adjustment	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Software	1,025,343	-	331,267	694,076	919,176	49,000	331,267	636,909	57,167	106,167
Total	1,025,343	-	331,267	694,076	919,176	49,000	331,267	636,909	57,167	106,167
Previous year	936,895	147,000	58,552	1,025,343	936,895	40,833	58,552	919,176	106,167	-

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

	Gross Block		Depreciation/Amortisation	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Assets capitalised with retrospective effect / Write back of excess capitalisation	(6,674,960)	(2,684,001)	(3,120,967)	(1,942,516)
	<u>(6,674,960)</u>	<u>(2,684,001)</u>	<u>(3,120,967)</u>	<u>(1,942,516)</u>

Note No. 9 Non-Current Investment

(Amount in ₹)

As at	31.03.2015	31.03.2014
Number of shares Current Year / (Previous Year)		
Face value per share Current Year / (Previous Year) (₹)		
Trade		
Equity instruments (fully paid up - unless otherwise stated)		
Unquoted Joint Venture Companies		
KINESCO Power and Utilities Pvt. Ltd.	50000 (50000)	10 (10)
	500,000	500,000
	<u>500,000</u>	<u>500,000</u>

a) Investments have been valued considering the significant accounting policy no. 4 disclosed in Note no. 1 to these financial statements.

b) Co has further commitment to invest in the JV Co. to the extent of ₹ 35,00,000, disclosed under other commitment, under Note - 28.

Note No. 10 Long-Term Loans And Advances

(Considered good, unless otherwise stated)

(Amount in ₹)

As at	31.03.2015	31.03.2014
Advances (Unsecured)		
Advance tax deposit & tax deducted at source	791,250,024	732,586,458
Less: Provision for current tax	255,149,712	251,793,993
Total	536,100,312	480,792,465

Note No. 11 Trade Receivables

(Considered good, unless otherwise stated)

(Amount in ₹)

As at	31.03.2015	31.03.2014
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured	19,930,346	26,754,543
Others - Unsecured	329,025,036	54,140,635
Total	348,955,382	80,895,178

Note No. 12 Cash and Bank Balances

(Amount in ₹)

As at	31.03.2015	31.03.2014
Cash & cash equivalents		
Balances with banks		
Other bank balances	109,779,097	-
Deposits with original maturity of more than three months but not more than twelve months	4,911,191,639	6,510,161,897
Less : Cheque Issued against CLTD	-	(3,630,523)
	5,020,970,736	6,510,161,897
Less: Bank balances with original maturity of more than 12 months	-	-
Total	5,020,970,736	6,506,531,374
a) Other bank balances- deposits include ₹419,86,49,374 (Previous year ₹ 544,55,19,150) towards advances received from REC Ltd. for RGGVY works.		

Note No. 13 Short-Term Loan and Advances

(Considered good, unless otherwise stated)

(Amount in ₹)

As at	31.03.2015	31.03.2014
ADVANCES		
Others (unsecured)		
Cenvat credit receivables	-	6,390,376
Others	-	153,658
Total	-	6,544,034

Note No. 14 Other Current Assets

(Amount in ₹)

As at	31.03.2015	31.03.2014
Interest accrued on :		
- Term deposits		
- Deposit Work Amount of REC Ltd.	75,169,066	110,628,829
- Advance to Contractors	7,233,533	4,360,442
Project Fund Recoverable	453,960,943	546,337,974
Share application money due for Refund		
- KINESCO Power and Utilities Pvt. Ltd.	2,600,000	2,600,000
	538,963,542	663,927,245
Assets held for disposal	-	17,922
Total	538,963,542	663,945,167

NTPC ELECTRIC SUPPLY COMPANY LIMITED

Note No. 15 Revenue from Operations

	(Amount in ₹)	
For the Year ended	31.03.2015	31.03.2014
Consultancy, project management and supervision fees (including turnkey construction projects)	168,563,071	281,982,132
Total	168,563,071	281,982,132

Note No. 16 Other Income

	(Amount in ₹)	
For the Year ended	31.03.2015	31.03.2014
Interest from		
Others		
Indian banks	67,683,564	106,910,386
Other non-operating income		
Other Misc Receipts	191,233	-
Total	67,874,797	106,910,386

a) Interest from Indian Banks is net of ₹ 49,48,23,811 (previous year ₹ 65,10,39,448) towards interest earned on investment of advances received from REC Ltd. which is not the income of the Company as it is attributable to REC Ltd. and has been transferred to amount received against deposit works under Other Current Liabilities - Other payables- Amount received against deposit works (Note No. 6).

NOTE NO. 17 - Employee Benefits Expense

	(Amount in ₹)	
For the Year ended	31.03.2015	31.03.2014
Salaries and wages	137,549,971	212,156,300
Contribution to provident and other superannuation benefits	36,225,357	25,893,067
Staff welfare expenses	7,192,158	10,225,830
Reimbursement from NTPC	(111,485,740)	(122,053,281)
Total	69,481,746	126,221,916

a) All the employees of the Company are on secondment from the Holding Company, i.e. NTPC Ltd. Pay, allowances, perquisites and other benefits of the employees are governed by the terms and conditions under an agreement with NTPC Ltd.. As per the agreement, amount equivalent to a fixed percentage of Basic Pay and Dearness Allowance of the seconded employees is payable by the company for employee benefits such as provident fund, pension, gratuity, post-retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits.

b) The employee benefits expense include ₹ 3,62,25,357 (previous year ₹ 2,58,93,067) towards company's contributions paid / payable to the holding company towards above stated employee benefits.

c) As per the opinion of Expert Advisory Committee of Institute of Chartered Accountants of India aboveaid employee benefits are of Defined Contribution Plan and there is no need for Actuary Valuation as per the requirement of AS - 15, consequently no disclosure has been done by the company.

Note No. 18 - Administration and Other Expenses

	(Amount in ₹)	
For the Year ended	31.03.2015	31.03.2014
Power charges	368,586	705,304
Rent	2,630,194	4,050,121
Repairs & maintenance	360,268	477,882
Insurance	16,146	21,884
Training & recruitment expenses	1,785,800	316,140
Communication expenses	3,944,935	7,469,628
Travelling expenses	17,697,750	24,944,187
Tender expenses	10,614,491	3,234,800
Less: Receipt from sale of tenders	1,650,000	101,250
	8,964,491	3,133,550
Payment to auditors (refer details below)	233,731	137,600
Security expenses	2,366,052	3,470,127
Entertainment expenses	1,484,817	1,207,270
Expenses for guest house	224,247	356,215
Brokerage & commission	4,500	-
Community development and welfare expenses	522,333	624,035
Books and periodicals	55,920	80,446

Note No. 18 - Administration and Other Expenses

	(Amount in ₹)	
For the Year ended	31.03.2015	31.03.2014
Professional charges and consultancy fees	39,383,497	65,947,050
Legal expenses	298,340	275,283
EDP hire and other charges	756,266	843,525
Printing and stationery	474,086	818,215
Hiring of vehicles	7,799,091	11,847,681
Bank charges	22,311	9,684
Miscellaneous expenses	2,643,906	1,694,178
Loss on disposal/write-off of fixed assets	575,342	-
Reimbursement from NTPC	(52,182,014)	(65,050,995)
Total	40,430,595	63,379,010

18.1 Details in Respect of Payment to Auditors:

As auditor		
Audit fee	100,000	90,000
Tax audit fee	27,000	27,000
Reimbursement of expenses	106,731	20,600
	233,731	137,600

Note No. 19 Prior Period Items (Net)

	(Amount in ₹)	
For the Year ended	31.03.2015	31.03.2014
Prior period Items (Net)		
Revenue	108,227,000	-
Expenditure	1,108,332	-
	1,108,332	-
Total	109,335,332	-

Other Notes to Financial Statements

- 20 The shareholders of the Company in its Extra-ordinary General Meeting held on March 24, 2015, inter alia, approved the proposal for transfer and vesting of all existing operations of the company together with all assets and liabilities relating to such operations to NTPC Limited, the holding company, with effect from April 1, 2015. After obtaining the aforesaid approval, the company has entered into an agreement with NTPC Limited to implement such transfer. Accordingly, the company will not have any operations w.e.f 1st April 2015. However, since all the assets and liabilities are to be transferred to NTPC Ltd. at the same values appearing in the books of the company as on 31st March 2015, all the assets and liabilities have been reflected in the same manner as done previously as a going concern, i.e., at their book values.
- 21 Some of the balances of trade/ other receivables / payables and loans and advances are subject to confirmation/ reconciliation. Adjustments, if any, will be accounted for on confirmation /reconciliation of the same with the concerned parties, which in the opinion of the management will not have a material impact.
- 22 The Company is operating in a single segment, that is providing consultancy, project management and supervision services.
- 23 **Disclosure as per Accounting Standard - 20 on 'Earnings Per Share'**
The elements considered for calculation of Earning Per Share (Basic & Diluted) are as under:

	(Amount in ₹)	
	Current Year	Previous Year
Net Profit after Tax used as numerator	12,654,004	197,578,497
Weighted average number of equity shares used as denominator	80,910	80,910
Earning Per Share (Basic & Diluted)	156.40	2,441.95
Face value per share	10.00	10.00

24 Disclosure as per Accounting Standard - 19 on 'Leases'

Operating Leases:

The company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and transit camps. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. Note No. 17 - Employees' benefit expenses include ₹ 75,41,693 (Previous year ₹ 1,37,25,866)

NTPC ELECTRIC SUPPLY COMPANY LIMITED

towards lease payments, net of recoveries, in respect of premises for residential use of employees. Lease payments in respect of premises for offices and transit camps amounting to ₹ 26,30,194 (Previous year ₹ 40,50,121) are shown as Rent in Note No. 18 - Administration and other expenses.

25 Disclosure as Per Accounting Standard - 27 on 'Financial Reporting of Interests in Joint Ventures'

Joint Venture Entities :

Company	Proportion of ownership interest as on (excluding Share Application Money)	
	31/03/2015	31/03/2014
KINESCO Power and Utilities Pvt. Ltd.	50%	50%

The above entity is incorporated in India. 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 based on unaudited accounts are given below:

(Amount in ₹)

A	Assets	31/03/2015	31/03/2014
	Non-current assets	95,279,650	85,213,166
	Current assets	33,808,900	26,306,971
	Total	129,088,550	111,520,137
B	Equity & liabilities		
	Shareholders' funds	5,958,365	(4,985,482)
	Non-current liabilities	17,918,641	11,736,232
	Current liabilities	105,211,544	104,769,387
	Total	129,088,550	111,520,137
C	Contingent liabilities	70,650,500	5,392,045
D	Capital commitments	26,456,570	28,353,681
E	Income	235,203,473	201,910,598
F	Expenses	232,396,285	199,618,894

26 The Common Services Being Utilized by the Company for it's' Office at Noida are Provided without any Charges by the Holding Company.

27 Information in Respect of Consultancy Contracts on Deposit Work Basis:

(Amount in ₹)

Sl.	Particulars	Current Year	Previous Year
1	Amount of revenue recognised on consultancy contract on deposit work basis	135,927,745	242,444,621
2	Amount disbursed for consultancy contracts on deposit work basis	2,171,142,616	2,030,255,218
3	Amount of advance received from customers for consultancy contracts on deposit work basis	393,202,277	607,151,271
4	Gross amount due from customers for consultancy contracts on deposit work as an asset	307,514,191	22,869,550
5	Gross amount due to customers for consultancy contracts on deposit work basis as a liability	318,038,671	70,340,541

28 Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ Nil (Previous year ₹ Nil). Company has a commitment to further invest in the JV to the extent of ₹ 35,00,000.

29 Disclosure as per Accounting Standard - 18 on Related Party Disclosures

The company has one related party, Utility Powertech Ltd. (UPL). Details of transactions with UPL during the year in respect of services rendered by them are given below:

(Amount in ₹)

Details	Current Year	Previous Year
Expenditure on services received during the year	32,740,079	41,755,432
Amount payable for services rendered	12,074,732	9,748,100

30 Income recognised by the company till date in respect of projects undertaken by the company under Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) of Government of India / Ministry of Power was reviewed in the light of final sanction orders received in some of the completed projects as well as the reduction in scope and final executed cost. Accordingly, impact on previous year's income due to factors already under consideration prior to 31st March 2014 have been recognised as negative income of Rs.10,82,27,000 relating to previous years and impact of reduction in scope, which was finalised during the year has been recognised as negative income of Rs.17,76,64,000 during the current financial year.

31 Income has been recognised for the projects undertaken by the company under RGGVY of Government of India / Ministry of Power under the XIth Plan amounting to Rs. 21,57,00,000 based on the development of the Project Works as per Percentage of Completion basis multiplied with the Project Costs, i.e., Sanctioned Cost (Revision of which has been accepted by the Government of Odisha).

32 In compliance of the provisions of Section 135 of the Companies Act, 2013 as well as the CSR Rules notified thereunder, a Corporate Social Responsibility (CSR) Committee was constituted during the year. The Board has also approved the Policy recommended by the CSR Committee, allocation of profits as per the provisions of the Act as well as CSR expenditure of Rs.4,15,000/- for 2014-15. Accordingly, Total expenditure incurred by the company amounting to Rs. 522,333 including the contribution of Rs.415,000 made to the Swachh Bharat Kosh during the year.

33 The company has been reimbursed by the Parent Company, i.e., NTPC Limited for over and above run charges for Xth & XI th Plan of the Rajiv Gandhi Gramin Vidyutikaran Yojna (RGGVY) under the Corporate Social Responsibility Programme amounting to Rs. 16,36,67,754 (P.Y. Rs. 18,71,04,276) and the same has been reflected through the deduction from the Employee Benefits amounting to Rs. 11,14,85,740 (P.Y. 12,20,53,281) and Other Expenses amounting to Rs. 5,21,82,014 (P.Y. 6,50,50,995). Such amount has been arrived through the allocation process of all the related expenses of abovesaid projects by way of allocation of time during the year by respective departments on estimation basis.

34 The company has charged the depreciation on Fixed Assets based on the requirements of Schedule II to the Companies Act, 2013, i.e., based on remaining useful lives of the Fixed Assets, due to change in such accounting policies, profit has been decreased by Rs. 244,044/-.

35 Contingent Liabilities :

35.1 Orders to pay service tax along with interest and penalty have been served on the company for various years by the Commissioner of Service Tax as tabled below. For serial numbers 1 to 3, the demands are a pass through item, the liability of which is on REC Ltd. as per terms of contract. The orders have been challenged before CESTAT and are pending disposal. Demand at serial number 4 pertains to services provided to Cochin Port Trust by the company and filing of appeal is in process.

Sl.	Particulars	Financial Year	Amount (₹)
1	Service Tax on Deposit Works (RGGVY)	2007-2011	8,496,873,660
2	Service Tax on Deposit Works (RGGVY)	2011-2012	498,063,406
3	Service Tax on Deposit Works (RGGVY)	2012-2013	29,384,252
4	Service Tax on Deposit Works (others)	2011-2012	3,436,056
	Total		9,027,757,374

NTPC ELECTRIC SUPPLY COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT

To

THE MEMBERS OF

NTPC ELECTRIC SUPPLY COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of M/s NTPC Electric Supply Company Limited (a wholly owned subsidiary of M/s NTPC Limited, "the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Company's Act ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies Act (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

35. The company has received notice of demand from the Income Tax Department and in relation to such demand the company has filed an appeal with the appropriate authorities and the same has been tabled below :

Sl.	Particulars	Financial Year	Amount (₹)
1	Case pending at ITAT	2008-09	198,759,407
2	Demand u/s 143 (3) with CIT (A)	2010-11	925,592,750
3	Demand u/s 143 (3) with CIT (A)	2011-12	939,844,860

36 Other disclosures as per Schedule III of Companies Act, 2013

(Amount in ₹)

Particulars	Current Year	Previous Year
a) Expenditure in foreign currency:		
Others	43,477	164,093

37 Previous year's figures have been regrouped/rearranged wherever necessary.

For and on behalf of the Board of Directors

(Rajesh Kumar) (Kulamani Biswal) (Dr. Arup Roy Choudhury)
 Chief Executive Officer Director Chairman

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

For M/S. P R KUMAR & CO.
Chartered Accountants
Firm Reg No. - 003186N

(Rahul Kathuria)
Partner
M. No. 090657

Place : New Delhi
Dated : 18th May 2015

NTPC ELECTRIC SUPPLY COMPANY LIMITED

Emphasis of Matters

We draw attention to the following matters:

- (a) Note - 1 'Accounting Policies' para no. 1 related to Going Concern of the company read alongwith Note No. 20 of the Notes to Financial Statements suggest that the parent company is going to take over all the existing operations together with all the assets and liabilities in relation to such operations at book values on the date of the financial statements, and these conditions alongwith other matters set forth in Note No. 20 indicate the material uncertainty and that may cast significant doubt about the Company's ability to continue as a Going Concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said note.
- (b) Note-1 'Accounting policies' para no. 5.1 of recognizing revenue from Project Management Services on the basis of actual progress / technical assessment. We have relied upon the estimates given by the technical experts about the percentage of completion of each of the project, however, the company has written back the income, amounting to Rs. 28,58,91,000, recognized during earlier and current year due to the errors in determination of the project cost as per Note No. 30 to the Financial Statements.

Further, Project cost considered for recognition of income is also subject to final reconciliation with Contractors, REC Limited (Nodal Agency for RGGVY Projects under Xth and XIth Plan of Govt. of India) and State Government.

- (c) Refer Note No. 31 in relation to Revenue Recognition under Rajiv Gandhi Grameen Viduytikaran Yojana (RGGVY) Projects under XIth Plan read alongwith the Note No. 20, regarding recognition of income amounting to Rs. 21,57,00,000 apportioned on the basis of activities undertaken by the company with the assumption that the Parent Company will continue with such partially executed project work.
- (d) Refer Note No. 33 of Notes to Financial Statements, the company has netted off expenses amounting to Rs. 16,36,67,754 as the reimbursement of expenditure incurred by the company over and above service charges from the respective agency, in relation to Project executed under the Xth and XIth Plan of Rajiv Gandhi Grameen Viduytikaran Yojana (RGGVY), under the Corporate Social Responsibility Programme of the Parent Company and the allocation of expenditure towards Xth and XIth Plan of abovesaid Yojna is based on the time allocation done by the company on estimation basis. We are not able to comment upon the time allocation in the absence of any documentary evidence for the same.

Our opinion is not modified in respect of the aforesaid matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure-I** a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable,
2. We are enclosing our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, in the **Annexure-II** on the directions and sub-directions issued by the Comptroller and Auditor General of India.
3. As required by section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. The going concern matter described in sub-paragraph (a) under the Emphasis of Matters paragraph above, in our opinion, may

- have adverse effect on the functioning of the company;
- f. On the basis of the written representations received from the Directors as on 31st March 2015 taken on record by the Board of Directors, none of the directors of the company is disqualified as on 31st March, 2015 from being appointed as a director in terms of sub-section (2) of section 164 of the Act;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 35 to the financial statements;
 - ii) The company did not have long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For P R Kumar & Co.
Chartered Accountants
Firm Reg. No.: 003186N

(Rahul Katuria)
Partner
M. No.: 090657

Place : New Delhi
Dated : 18th May 2015

Annexure-I ANNEXURE OF THE INDEPENDENT AUDITOR'S REPORT

(Referred to paragraph (1) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) We have been informed that the fixed assets of the company are physically verified by the management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, physical verification was carried out at selected locations and all the discrepancies noticed have been adjusted in the books of accounts on such verification.
- (c) In our opinion and according to the explanations and information provided to us, there is no substantial disposal of the fixed assets during the year.
- (ii) The company does not have any inventory and consequently, clauses (ii) (a) to (c) of paragraph 3 of the Order are not applicable.
- (iii) According to the information and explanations provided to us, the Company has not granted any secured or unsecured loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013, consequently, provisions of sub-clause (iii)(a) & (b) of the Paragraph 3 of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the company and the nature of its business, with regard to purchases of fixed assets and with regard to the sale of services, on the basis of our examination, and according to information and explanation given to us, we have neither come across nor have we been informed of any instance of major weaknesses in the aforesaid internal control procedures.
- (v) According to the information and explanation given to us, the Company has not accepted deposits as per the provisions of the Companies Act, 2013 and consequently, directives issued by the Reserve Bank of India;

NTPC ELECTRIC SUPPLY COMPANY LIMITED

the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under are not applicable.

- (vi) The provisions of the maintenance of the cost records as has been specified under sub-section (1) of Section 148 of the Companies Act, 2013, are not applicable to the company as the company is not engaged in the distribution of the electricity.
- (vii) (a) The company has been regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues as applicable to it. Being a wholly owned subsidiary of M/s NTPC Limited, all the employees are on secondment basis, therefore, employees related statutory dues, such as Provident Fund, Employee State Insurance, Professional Tax as applicable, are being deducted and deposited by the holding company.
- (b) According to the information and explanations given to us, there are disputed statutory dues, which have not been deposited as on March 31, 2015 as given below :

Statute	Nature of Dues	Amount (Rs.)	Forum where disputes are pending
Income Tax Act, 1961	Tax Demanded u/s 143 (3) (2008-09)	19,87,59,407/-	ITAT Delhi
Income Tax Act, 1961	Tax Demanded u/s 143 (3) (FY 2010-11)	14,20,92,750/-	CIT (Appeals) Delhi
Income Tax Act, 1961	Tax Demanded u/s 143 (3) (FY 2011-12)	23,98,44,860/-	CIT (Appeals) Delhi
Finance Act, 1994	Service Tax on Deposit Works (2006-07 to 2010-11)	849,68,73,660/-	CESTAT, Delhi
Finance Act, 1994	Service Tax on Deposit Works (2011-12)	50,14,99,462/-	CESTAT, Delhi
Finance Act, 1994	Service Tax on Deposit Works (2012-13)	2,93,84,252/-	CESTAT, Delhi

- (c) According to the information and explanations given to us, there are no dues in relation to deposit under Investor Education and Protection Fund in accordance with the companies act and consequently none of the provisions of Sub Clause (c) of Clause (vii) of the Paragraph 4 of the Order is applicable.
- (viii) In our opinion and according to the information and explanations given to us, the company does not have accumulated losses as at 31st March, 2015 and has not incurred cash losses during the financial year covered by our audit or in the immediately preceding financial year.
- (ix) According to the information and explanations given to us, the company has not taken any loan from financial institution, bank or by way of issuance of debentures, hence provisions under clause (ix) of the Paragraph 3 of the Order is not applicable to the company.
- (x) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institution, hence the provisions of clause (x) of the Paragraph (3) of the Order is not applicable to the company.
- (xi) The company has not taken any term loan during the financial year under audit, accordingly, in our opinion and according to the information and explanations given to us, clause 3 (xi) of the Order is not applicable
- (xii) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For P R Kumar & Co.
Chartered Accountants
Firm Reg. No.: 003186N

(Rahul Katuria)
Partner
M. No.: 090657

Place : New Delhi
Dated : 18th May 2015

ANNEXURE OF THE INDEPENDENT AUDITOR'S REPORT

(Referred to paragraph (2) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

Sl.No.	Query	Response
1.	If the company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed & General Reserves) may be examined including the mode and present stage of disinvestment process.	The company has not been selected for disinvestment.
2.	Please report whether there are any cases of waiver / write-off of debts/loans/interest etc. If yes, the reasons there for and the amount involved.	There were no cases of waiver / write-off of debts/loans/interest.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities	There are no cases of inventories lying with third parties & assets received as gift from Govt. or other authorities.
4.	A report on age-wise analysis of pending legal / arbitration cases including the reasons of pendency and existence / effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.	The company has no cases in arbitration. Age-wise analysis of pending legal cases along with reasons for pendency are enclosed. Monitoring mechanism for expenditure on legal cases: Fees and incidentals are paid to legal counsel for the work done by them (for drafting, copies, filing of appeals, appearances at hearings etc.) based on rates finalised by NTPC Limited, the Holding company of NESCL. (As per Annexure -A attached)

A. CASES RELATED TO SERVICE TAX

Sl. No	Case details	Pending since and reason for pendency	Remarks	Legal Expenses Incurred for the F.Y. 2014-15
1	Appeal against order of Commissioner of Customs, Central Excise and Service Tax, Noida for payment of service tax on project funds received by the company from REC Ltd. for execution of projects on deposit works basis under the RGGVY scheme of the GOI (F.Y. 2006-07 to 2010-11).	Appeal filed with Customs, Central Excise and Service Tax Appellate Tribunal on 28.02.2013, case not heard in spite of listings on various dates.	An unconditional stay against payment of the demand pending disposal of the case has been granted by CESTAT on 10.12.2013.	Nil
2	Appeal against order of Commissioner of Customs, Central Excise and Service Tax, Noida for payment of service tax on project funds received by the company from REC Ltd. for execution of projects on deposit works basis under the RGGVY scheme of the GOI (FY 2011-12).	Appeal filed with Customs, Central Excise and Service Tax Appellate Tribunal on 24.02.2014, case not heard so far.	Hearing of appeal for stay order was fixed for 21.04.2015 but matter has now been adjourned to 11.08.2015	Nil
3	Appeal against order of Commissioner of Customs, Central Excise and Service Tax, Noida for payment of service tax on project funds received by the company from REC Ltd. for execution of projects on deposit works basis under the RGGVY scheme of the GOI (FY 2012-13).	Appeal filed with Customs, Central Excise and Service Tax Appellate Tribunal on 17.03.2015, case not heard so far.	Case related to Stay of demand yet to be listed for hearing.	Nil

NTPC ELECTRIC SUPPLY COMPANY LIMITED
B. CASES RELATED TO INCOME TAX

SI.No	Case details	Pending since and reason for pendency	Remarks	Legal Expenses Incurred for the F.Y. 2014-15
1	The IT Department has gone in appeal against the order of C.I.T (Appeals) in favour of NESCL for non-inclusion of interest earned on deposits received from REC for deposit works under RGGVY scheme. (FY 2008-09).	Appeal filed by IT Department with Income Tax Appellate Tribunal on 26.10.2012, further, hearing is fixed for 08.06.2015.	Nil	Nil
2	A demand has been raised by A.O after treating interest earned on deposits received from REC for deposit works under RGGVY scheme during F.Y.2010-11.	Appeal filed with C.I.T (Appeals) on 13.03.2014, who has ruled in favour of the company.	Nil	Nil
3	A demand has been raised by A.O after treating interest earned on deposits received from REC for deposit works under RGGVY scheme during F.Y. 2011-12.	Appeal filed with C.I.T (Appeals) on 30.04.2015.	Rs. 23.98 crores has been deposited under protest dated on 30.04.2015.	Nil

C. CRIMINAL CASES AGAINST INDIVIDUAL OFFICERS

SI.No	Case details	Pending since and reason for pendency	Remarks	Legal Expenses Incurred for the F.Y. 2014-15
1	Electrocution of Elephants. Charge sheet filed under section 2, 9 & 51 of wild life protection act State of Jharkhand Vs K.K. Gupta.	Bail granted to the officer. Hearing going on. Supplementary supervision note filed by Forest Deptt. Pending since 05.09.2011.	Nil	Nil
2	Five nos. PCC pole has been erected in forest area without taking consent from forest deptt. Charges under section 33 of Indian Forest Act and section 2 of Forest Conservation Act 1982. State of Jharkhand Vs Sandip Das and O.P.Kushwaha.	Bail granted to officers. Hearing going on. Pending since 22.05.2012.	Nil	Rs. 60,590/-
3	Case related to earlier complaint for filing of FIR in electrocution from 11 KV line at Gholahandi village of Daspalla Block, Nayagarh resulting in amputation of left forearm of Pabitra Sahu. Case in the court of JMFC Daspalla, Nayagarh. ICC No. 68/2009 and subsequent GR case no. 137 /09.	Bail granted to officer. Hearing going on. Pending since 01.07.2009.	Nil	Nil

NTPC ELECTRIC SUPPLY COMPANY LIMITED

D. CIVIL / CONTEMPT OF COURT/WPC/CONSUMER COURT CASES

Sl.No	Case details	Pending since and reason for pendency	Remarks	Legal Expenses Incurred for the F.Y. 2014-15
1.	WPC 15918/2012 dated 06.09.2012, Direction of the High Court for BPL Connection for 16 persons in the case filed by Bharat Sahu & others to be complied by 23.10.2012. Bharat Sahu & others approached HC Odisha under pleas of contempt of court. The Court direction complied on 05.08.2013 by Charging 41 BPL connections. CONTC 538/2013 dated 25.07.2013.	Both cases disposed off.	Nil	Rs. 1,81,550/- & Rs.32,000/-
2.	WPC 10748/2013 dated 17.07.2013 Writ petition in the matter of an application u/s 18 of Protection of Human Rights Act 1993 in the matter of an application challenging direction/recommendation dated 19.10.2012, passed by NHRC in the NHRC Case No. 176 dated 18.06.2011 granting a compensation of 3 lakhs - the victims of burn injuries due to electrocution. NHRC directed WESCO, Odisha to pay compensation to the victims of Electrocutation. WESCO filed a writ petition against this order and NESCL made as a party.	Hearing going on. Pending since 17.07.2013.	Nil	
3.	WPC 29532/2011. Case related to earlier complaint for filing of FIR in electrocution from 11 KV line at Gholahandi village of Daspalla Block, Nayagarh resulting in amputation of left forearm. A case for compensation filed under WPC in High Court subsequently.	High Court Odisha Dismissed the case. Case was pending from 28.11.2011	Nil	Nil
4.	Consumer complaint no 71 /2013 and Misc. case no 12 of 2013 arising out Consumer Complaint No 71 of 2013. Case related to grievance of Villagers of Sarian, Dhenkanal regarding 11 KV line laying through their village. The case was represented by AGM, NESCL directly. Court has disposed off the case and consumer complaint is closed in view of amicable settlement between the parties vide order dated 06.12.2013. In a subsequent order, court observed vide order dated 06.12.13," in view of closure of main case, the present Misc. case becomes in fructuous and accordingly disposed off.	Consumer Court case dated 19.11.2013 disposed off.	Nil	Nil
5.	Civil writ petition no 4926/2014 in Delhi High Court. Case related to terms and conditions of the contract between ICOMM Tele and NESCL. Advocate was engaged and hearings took place. Application filed by ICOM Tele seeking permission to withdraw the case High. Court vide order dated 02.09.2014 dismissed the writ petition as withdrawn.	WPC dated 6.8.2014. Disposed off as withdrawn.	Nil	Rs.24,200/-
6.	Money Suit No 06/2014 filed related to dispute regarding payment between M/s IVRCL and Mr. Avijit Barua. He has approached the court asking for payment of outstanding amount from IVRCL from the final bills of RGGVY Uttar Dinajpur project. Advocate has been engaged to clarify the position of NTPC/NESCL in the matter.	M.S 06/2014 08.08.2014. Hearing going on.	Nil	Nil

For P R Kumar & Co.
Chartered Accountants
Firm Reg. No.: 003186N

(Rahul Katuria)
Partner
M. No.: 090657

Place : New Delhi
Dated : 18th May 2015

NTPC ELECTRIC SUPPLY COMPANY LIMITED**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NTPC ELECTRIC SUPPLY COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH, 2015**

The preparation of financial statements of NTPC Electric Supply Company Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 18 May 2015.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of NTPC Electric Supply Company Limited for the year ended 31 March 2015 and as such have no comments to make under section 143 (6) (b) of the Act.

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

(Tanuja S. Mittal)
Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board-III, New Delhi

Place : New Delhi
Dated : 3 July, 2015

NTPC VIDYUT VYAPAR NIGAM LIMITED

NTPC VIDYUT VYAPAR NIGAM LIMITED (A wholly owned subsidiary of NTPC Limited) DIRECTORS' REPORT

To
Dear Members,

Your Directors has immense pleasure in presenting the Thirteenth Annual Report on the working of the Company for the financial year ended on 31st March 2015 together with Audited Financial Statement, Auditors' Report and Review by the Comptroller & Auditor General of India for the reporting period.

FINANCIAL RESULTS

(₹ Crore)

	2014-15	2013-14
Total Revenue	3887.96	3532.32
Total Expenses	3821.48	3441.04
Profit/(Loss) before Tax	66.48	91.28
Tax expenses	22.87	31.04
Profit/(Loss) for the year	43.61	60.24

DIVIDEND

During the financial year 2014-15, the Board of Directors have declared an interim dividend of ₹20 Crore @ ₹10 per equity share on the face value of fully paid-up equity share capital of ₹10 each. Your Directors have not recommended any final dividend.

ENERGY TRADING AND OTHER BUSINESS

In accordance with Central Electricity Regulatory Commission (CERC) notification, your Company has a trading Licensee under Category I (highest category).

In the Financial Year 2014-15, your Company has achieved the milestone of crossing 10 Billion units of Power trading for the first time since inception.

During the financial year under review margin from trade of energy was ₹55.36 Crore from trade of 10421 million units including 1094 million units traded under SWAP arrangements and 5175 million units traded under Solar & Thermal Bundled energy, as compared to margin of ₹52.47 Crore from trade of energy of 9322 million units including 1297 million units traded under SWAP arrangements and 4390 million units traded under Solar & Thermal Bundled energy in the financial year 2013-14. The overall volume of energy traded by the Company during the financial year 2014-15 has increased by 11.79% over last financial year 2013-14.

During the financial year under review, the business of disposal of ash and ash products from the stations of NTPC has been transferred to NTPC, the holding company w.e.f 1-1-2015 and the same has been disclosed in the financial statements for the year.

BUSINESS INITIATIVES

The Government of India has designated your Company as the Nodal Agency for Phase I of Jawaharlal Nehru National Solar Mission (JNNSM) with a mandate for purchase of power from the solar power projects connected to grid at 33 KV and above at tariff regulated by CERC and for sale of such power bundled with the power sourced from NTPC coal power stations to Distribution Utilities under Phase I of JNNSM which envisages setting up of 1000 MW solar capacity. As on 31.03.2015 the total commissioned capacity under the Scheme of Batch I of Phase I of JNNSM is 718 MW as against the 548 MW as on 31.03.2014.

During the Financial Year 2014-15, a total of 5,175 MUs of bundled solar power (including 1012.13 MU of Solar Power) has been supplied to Discoms/ Utilities of the states of Rajasthan, Punjab, Maharashtra, Andhra Pradesh, Uttar Pradesh, Tamil Nadu, Karnataka, Assam, West Bengal, Odisha, Telengana, Chhattisgarh and Damodar Valley Corporation. During the Financial Year, Your Company arranged sale of power of merchant solar plants located in Gujarat to Goa, which was done for the first time in India. Trading on Power exchange was also initiated by your Company during this year.

Your Company has also been designated as the nodal agency for cross border trading of power with Bangladesh and Bhutan. As per the Power Purchase Agreement (PPA) for supply of 250 MW power for 25 years from NTPC stations signed between the Company and Bangladesh Power Development Board (BPDB), power is being supplied by the Company to Bangladesh from Oct'2013.

During the Financial Year 2014-15, your Company has supplied 1745 MUs to Bangladesh against 864 MUs in previous year.

Your Company has excelled in many fields including expanding customer base, selling captive power, selling power of Independent Power Producers (IPPs), entering into power banking arrangement, trading of Power and REC on the platform of Power Exchange(s) etc. The customer base of the Company has increased to more than 100 customers including state government utilities, private power utilities, IPPs and captive power generators in all five regions of India.

FIXED DEPOSITS

The Company has not accepted any fixed deposit during the financial year ending 31st March 2015.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis is enclosed at Annexure-I.

AUDITORS' REPORT

The Comptroller and Auditor General of India (C&AG) have appointed M/s S.S. Kothari Mehta & Co., Chartered Accountants as Statutory Auditors of the Company for the financial year 2014-15.

The Statutory Auditors of the Company have given unqualified report on the financial statements of the Company for the financial year 2014-15.

The Statutory Auditors have given emphasis to the matter that your company has appropriated Rs 34.72 crore from the Fly Ash Utilisation Fund for the expenses incurred by the holding company in accordance with policy guideline issued in reference to MOEF notification dated 3-11-2009. They have laid emphasis on the fact that Fly ash business has been transferred to the holding company on "as is Basis" w.e.f.1.1.2015.

Both are statement of facts and the Statutory Auditors has not qualified their opinion because of the abovementioned matter.

REVIEW OF ACCOUNTS BY THE COMPTROLLER & AUDITOR GENERAL OF INDIA

The Comptroller and Auditor General (C&AG) of India, through letter dated 30th June 2015 have communicated that based on the financial reporting by the Management and the independent audit carried out by Statutory Auditors, C&AG has decided not to conduct the Supplementary Audit of the Financial Statements of the Company for the year ended 31st March 2015 and as such have no comments to make under Section 143(6)(b) of the Act. A copy of the letter issued by C&AG in this regard is placed after report of Statutory Auditors of your Company.

PARTICULARS OF EMPLOYEES

As per Notification dated June 5, 2015 issued by the Ministry of Corporate Affairs, exempting the Government Companies to comply with the provisions of Section 197 of the Companies Act, 2013 and corresponding rules of Chapter XIII. Your company being a Government company is not required to include aforesaid information as a part of the Directors' Report. However, during the period under review the Company had no employees of the category falling Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel).

SECRETARIAL AUDITORS

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Agarwal S. & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company, for the financial year 2014-15. The Report of the Secretarial Auditors is enclosed at Annexure-II.

Secretarial Auditors have expressed their observation on appointment of Independent Directors. The Management replies to the Secretarial Auditors observations are as under:

Secretarial Auditors observation:

During the financial year, the composition of the Board and Committees of the Board are not in compliance with the provisions of the Companies Act, 2013, due to non-appointment of Independent Directors.

Management reply

NTPC by virtue of Maharatna powers, and previously Navratna powers, in order to achieve its corporate aim, formed your Company, as a wholly owned subsidiary. As per provisions of Articles of Association of the Company, all Board level appointments were made by NTPC.

Since in case of Government Company, the independent directors are to be appointed by the Government of India. NTPC has written a letter to the Department of Public Enterprises, Government of India requesting to authorize NTPC for nominating Independent Directors on the Board of its subsidiaries. The reply on the same is awaited.

NTPC VIDYUT VYAPAR NIGAM LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 (3) (c) and Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2014-15 and of the profit of the company for that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors had prepared the annual accounts on a going concern basis.
- (v) the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

BOARD OF DIRECTORS

During the financial year under review Shri U.P. Pani, (DIN: 03199828), consequent upon change of nomination from NTPC Limited, resigned w.e.f. March 24, 2015.

The Board of Directors, on nomination received from NTPC Limited, appointed Shri K.K. Sharma, (DIN: 03014947), Director (Operations), NTPC and Shri A.K. Jha, (DIN: 03590871), Director (Technical), NTPC as Additional Directors of the Company in place of Shri N.N. Misra, (DIN: 00575501) and Shri U.P. Pani, respectively.

Shri K.K. Sharma and Shri A.K. Jha hold office up to the date of this Annual General Meeting and are eligible for appointment. The Company has received a requisite notice in writing from NTPC Limited, proposing their candidature for the office of Director liable to retire by rotation.

In accordance with the provisions of Companies Act, 2013, Dr. Arup Roy Choudhury, Chairman (DIN: 00659908) shall retire by rotation at this Annual General Meeting of your Company and, being eligible, offers himself for reappointment.

Number of meetings of the Board

During the financial year under review, 8 meetings of the Board of Directors were held on the following dates:

Date of Board Meeting	Total strength of the Directors	No. of Directors present
June 17, 2014	5	4
June 17, 2014	5	4
July 23, 2014	6	5
August 27, 2014	6	5
November 4, 2014	6	5
January 19, 2015	6	6
March 25, 2015	6	5
March 25, 2015	6	5

The details of the number of meetings attended, during the financial year under review, by each director are as follows:

Name of the Director	Designation	Board meetings attendance during 2014-15
Dr. Arup Roy Choudhury	Chairman	8
Shri I.J. Kapoor	Director	6
Shri A.K. Jha (Director w.e.f.25.3.2015)	Director	2
Shri N.N. Misra (ceased w.e.f.4.11.2014)	Director	4
Shri U.P. Pani (ceased w.e.f. 24.3.2015)	Director	6
Shri Kulmani Biswal	Director	8
Shri K.K. Sharma (Director w.e.f.4.11.2014)	Director	4
Mrs. A. Sathyabhama	Director	1

Declaration of Independent Director.

Your Company is yet to appoint independent Directors. A statement on declaration by Independent directors under section 149(6) of the Companies Act, 2013, will be provided on appointment of the same.

Disclosure on the Nomination and Remuneration Committee.

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014, your Company has constituted the Nomination and Remuneration Committee consisting of 3 directors. Nomination of independent director on Nomination and Remuneration committee will be made on appointment of the same.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not given any loans or guarantees or made any investment covered under the provisions of section 186 of the Companies Act, 2013.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments, have taken place between financial year ended March 31, 2015, to which the financial statements related and the date of this Directors' Report, which affects the financial position of the Company.

EXTRACT OF ANNUAL RETURN

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

PARTICULAR OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

As per requirement of Section 188 (2) of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014, particulars of contracts or arrangements, during the financial year 2014-15, with related parties referred to in Section 188 (1) of the Companies Act, 2013 in form AOC-2 is given under Annexure-IV.

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

Being the trading company the norms for conservation of energy and technology absorption is not applicable on the Company.

During the financial year under review the Company has earned ₹445.95 crore from trade of power in foreign currency as compared to ₹211.85 foreign currency earned during the financial year 2013-14. An expenditure of ₹0.03 crore in foreign currency has been incurred mainly towards travelling of employees and other payments/ reimbursements during the financial year under review as compared to ₹0.08 crore expenses incurred towards travelling of employees during the financial year 2013-14.

AUDIT COMMITTEE

Your Company has an Audit Committee of the Board comprising of 3 Directors of the Company. Nomination of independent director on Audit Committee will be made on appointment of the same.

During the financial year under review 4 meeting of the Audit Committee were held on the following dates:

Date of Audit Meeting Committee	Total strength of the Directors	No. of Directors present
June 17, 2014	3	2
July 23, 2014	3	3
January 19, 2015	3	3
March 25, 2015	3	3

The details of the number of Audit committee meetings attended, during the financial year under review, by each director are as follows:

Name of the Director	Designation	Audit Committee meetings attendance during 2014-15
Shri I.J. Kapoor	Chairman of Audit Committee	3
Shri N.N. Misra (ceased w.e.f.4.11.2014)	Director	2
Shri Kulmani Biswal	Director	4
Shri U.P. Pani* (ceased w.e.f.24.3.2015)	Director	1
Shri A.K. Jha (Director w.e.f.25.3.2015)	Director	1

* Member of Audit Committee w.e.f. 4.11.2014

NTPC VIDYUT VYAPAR NIGAM LIMITED

CORPORATE SOCIAL RESPONSIBILITY

In compliance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has constituted the Corporate Social Responsibility (CSR) Committee consisting of 3 directors. Nomination of independent director on CSR committee will be made on appointment of the same.

During the financial year under review 2 meeting of the CSR committee were held on the following dates:

Date of CSR Committee Meeting	Total strength of the Directors	No. of Directors present
January 19, 2015	3	3
January 19, 2015	3	3

The details of the number of CSR committee meetings attended, during the financial year under review, by each director are as follows:

Name of the Director	Designation	CSR Committee meetings attendance during 2014-15
Dr. Arup Roy Choudhury	Chairman	2
Shri I.J. Kapoor	Director	2
Shri U.P. Pani (ceased w.e.f.24.3.2015)	Director	2

As per the requirement of Section 135 of the Companies Act, 2013 and Rule 8 (1) of the Companies (Corporate Responsibility Policy) Rules, 2014 the annual report on CSR activities is at Annexure-V.

ACKNOWLEDGMENT

The Board of Directors wish to place on record their appreciation for the support and co-operation extended by NTPC Limited, Ministry of Power and Ministry of New Renewable Energy of Government of India, the Central Electricity Regulatory Commission, the valued customers of the Company, various State Power utilities, Statutory Auditors, Office of the Comptroller and Auditor General of India and the Bankers of the Company.

For and on behalf of the Board of Directors

(Dr. ARUP ROY CHOUDHURY)
CHAIRMAN
DIN: 00659908

Place : New Delhi

Date : 28th July, 2015

Annexure - I

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

Trading is an essential tool which plays an important role for optimisation of resources by utilizing the surpluses of seasons or time of day of a state / utility to meet the unmet demand / deficits of the same or another state / utility by way of sale or swap arrangements. Power traders play a key role for identification of such sources of surplus (supply) and deficits (consumers), tie up open access, and arrange scheduling for matching supply and demand at optimum cost charging a very small margin of their own.

Trading of Electricity has been growing since 2003 but the last couple of years have not seen any growth in the trading volumes and the market share of trading w.r.t. the total generation has shown a decline as compared with the previous year.

CERC has fixed a ceiling trading margin for short term trade at 7 paise per kWh in case the sale price is exceeding ₹3 per kWh and 4 paise per kWh where sale price is less than or equal to ₹3 per kWh. However, Transactions through power swapping/ banking are out of purview of the CERC Regulations for Short Term Trading.

During the last four years, 71 traders have obtained licenses for serving the needs of the various clients, out of which 26 nos. of licenses have been surrendered / cancelled. The traders are issued license under categories I, II or III depending on the volume of units proposed to be traded and net worth. During 2014-15 out of the electricity generation of approximately 1048 Billion units, approximately 80 Billion units were traded, representing 7.6 % of trading to total generation.

Structure of Power Market in India*

(i)	Long -Term (90.6 %)	949BU
(ii)	Power Trading (7.6 %)	80BU
(iii)	Balancing Market (UI) (1.8 %)	19BU
	Total	1048BU

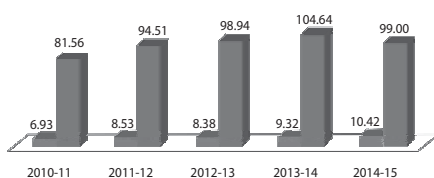
The trading of Power in India*

(i)	Bilateral Trading	36BU
(ii)	Bilateral Direct	16BU
(iii)	Through Power Exchange	28BU
	Total	80BU

*Source: CERC (2014-15)

Volume Traded

■ Volume Traded by NVTN (BUs)
■ Total volume Traded in Short term market (BUs)



*Source: CERC website

STRENGTH AND WEAKNESS

Your Company's strength lies in its association with strong promoter viz. NTPC Limited having formidable network, established rapport, credibility with potential buyers & sellers and backed with professional manpower from NTPC and trading capabilities built over the years.

Your Company is exposed to credit risk due to buyer's inability to make timely payments without any strong payment security mechanism in place.

OPPORTUNITIES AND THREATS

The inter regional power transfer capacity has increased to 46450 MW as on 31.03.2015 and is planned for enhancement to 72250 MW by end of 12th Plan period (Source: website Ministry of Power). This is expected to provide considerable opportunities for enhancement of trading volumes. With the passage of time short term power market has shifted from a seller's market to a buyers' market due to large availability of merchant power.

In recent times with the increase in entry of number of private traders the trading market has seen increased competition leading to power being traded without proper back-to-back payment security mechanism being in place making transaction prone to higher payment risk. The financial position of many State DISCOMs / Utilities is also a cause for concern for your company.

OUTLOOK

Your Company is the designated Nodal Agency for Cross Border trading of power with Bangladesh and also one of the nodal agencies for cross border trade with Bhutan. The Power Purchase Agreement between the Company and BPDB for supply of 250 MW power from NTPC stations for 25 years was signed on February 28, 2012. The Power supply to Bangladesh has commenced from October 5, 2013. Cross border trading of power from Bhutan is expected to commence from 2017 with the commissioning of new projects.

Your Company is also the designated Nodal Agency under JNNSM Phase-I for buying power from solar power developers in India and selling to distribution utilities after bundling with unallocated capacity from NTPC thermal power stations. The business of selling bundled power to Discoms commenced from financial year 2011-12 and has grown with progressive commissioning of capacities.

Your Company is exploring new avenues for enhancement of future business in the Cross Border Trading of Power and Renewable Power Sector and expects to consolidate its business in these segments for achieving long term growth.

RISKS, CONCERNS AND THEIR MANAGEMENT

Your Company is trading power on back-to-back basis, with the approval of the Board. It means that terms & conditions both for purchase/sale are on back-to-back basis. Deviation, if any, is reported to Board.

The trading margin capped by CERC for electricity trading limits revenues of trading companies. The risk gets further enhanced due to large number of private players offering lower trading margin than the capped trading margin. Your Company continues to focus on increasing its market share in power trading with emphasis on back-to-back arrangements in order to mitigate risks

NTPC VIDYUT VYAPAR NIGAM LIMITED

while making endeavors to increase the business.

Your Company being the wholly owned subsidiary of NTPC Limited is governed by the framework of Risk Management in NTPC Limited. Key risks are regularly monitored through reporting of key performance indicators of identified risks.

INTERNAL CONTROL

Your Company has adequate internal control systems and procedures in place commensurate with the size and nature of its business. Your Company has adopted the internal control system of its holding company viz. NTPC Limited. The authorities vested in various levels are exercised within framework of appropriate checks and balances. Effectiveness of all checks and balances and internal control systems is reviewed during internal audit carried out by Internal Audit Department of NTPC Limited. An independent internal audit is also carried out by experienced firm of Chartered Accountants in close co-ordination with departments of the Company and Internal Audit Department of NTPC Limited. The Internal Audit Reports are regularly reviewed by the Audit Committee of the Board of Directors.

PERFORMANCE DURING THE YEAR

Operations

Your Company has been issued license under category "I" which allows trading of 1000 million units and above every year without any upper limit.

The details of the energy traded by the Company are as follows:

	2014-15	2013-14
Trading of Power	Million units	
Bilateral Trading	3857	3635
Power SWAP Arrangements	1094	1297
Trading through exchange	295	-
Solar Bundled Power	5175	4390
Total	10421	9322

During the Financial Year 2014-15, your Company traded 10421 million units of power, which includes 5175 MUs of bundled solar power under Jawaharlal Nehru National Solar Mission. The overall volume of power traded by Company has increased by 11.79% over last year. In the financial year 2014-15, your Company also earned the distinction of trading in power of more than 10 BUs for the first time since inception.

In the past three years your company has developed a good customer base and has served over 100 customers including State Government/Private Power Utilities, Captive Power Generators etc. in all five regions in the country.

In addition to energy trading, your Company also traded fly ash and cenosphere for the period of nine months ended 31.12.2014. The details of the fly ash and cenosphere traded by the Company are as follows:

	April 1, 2014 to December 31, 2014	2013-14
	Metric Ton	
Fly ash	3622028	4653424
Cenosphere	365	225

During the financial year under review, the business of disposal of ash and ash products from the stations of NTPC has been transferred to NTPC w.e.f 1-1-2015 and the same has been disclosed in the financial statements for the year.

Financial Performance

The revenue of your Company comprises of mainly sales from Energy traded and it contributes to 99.63% of total revenue.

	₹ in Crore	
	2014-15	2013-14
Sales		
Energy	3835.22	3441.53
Other operating income	38.38	34.18
Fly Ash and Cenosphere	87.42	122.55
Less: Transfer to Fly Ash Utilization Fund	87.42	122.55
Other income	14.36	56.61
Total	3887.96	3532.32

In accordance with the Ministry of Environment and Forest, Government of India, notification dated November 3, 2009, the amount collected from sale of fly ash and fly ash based products is kept in a separate account head and utilized only for development of infrastructure or facilities, promotion and facilitation activities for use of fly ash.

The amount transferred during the current financial year to the fly ash utilization fund net of amounts utilized as per the above notification is of ₹62.94 Crore as compared to ₹91.30 Crore transferred during the previous financial year.

During the financial year under review, Ash Business was transferred w.e.f. January 1, 2015 to NTPC Limited, the holding company. The closing balance of Fly Ash Utilisation Fund as at December 31, 2014 of ₹385.48 crore has been transferred to NTPC Limited, the holding company w.e.f January 1, 2015. Further an interest of ₹5.57 crore (₹3.68 crore net of tax) on unpaid balance of Ash Utilisation Fund for the period 01.01.2015 to 31.03.2015 has been transferred to Fly Ash Utilisation Fund maintained with NTPC Limited on net of tax basis.

The Total operating expenses of the Company are as follows:-

	₹ in Crore	
	2014-15	2013-14
Purchase of energy	3779.85	3389.06
Rebate on energy sale	24.92	28.97
Employee benefits expense	10.16	8.59
Administration & other expenses	6.36	14.31
Total operating expenses	3821.29	3440.93

In accordance with the notification by the Ministry of Environment and Forest, Government of India, the operating expenses of fly ash business amounting to ₹ 8.30 Crore for nine months during 2014-15 have been met out of the Fly Ash Utilization Fund, hence not included in operating expenses. The total expenses including operating expenses of the Company are as follows:-

	₹ in Crore	
	2014-15	2013-14
Total operating expenses	3821.29	3440.93
Finance cost	0.02	0.04
Depreciation & amortization expense	0.17	0.07
Total expenses including operating expenses	3821.48	3441.04

The depreciation cost as compared to total expense is negligible since the fixed assets in the Company are represented by furniture and fixtures, EDP machines etc. and the Gross Block was of the order of ₹0.76 Crore as on 31.3.2015.

	₹ in Crore	
	2014-15	2013-14
Profit before tax	66.48	91.28
Tax expenses	22.87	31.04
Profit for the year	43.61	60.24

In the financial year 2014-15 there has been change in presentation of Statement of Profit and Loss as compared to financial year 2013-14. For the financial year 2013-14, the income on investment of Fly ash Utilisation was included in "Other Income" and it was appropriated to Ash Utilisation fund from Reserve and Surplus. For the financial year 2014-15, the transfer of Interest to Ash Utilisation Fund is from "Other Income". This has been done to bring more clarity and better presentation. Adjusted Profit Before tax and Profit after Tax after excluding Interest earned on investment of Ash Utilisation Fund for financial year 2013-14 is ₹65.51 crore and ₹43.23 crore respectively.

Dividend

During the financial year 2014-15, the Board of Directors on March 25, 2015 distributed an interim dividend of ₹20 Crore @ ₹10 per equity share on the face value of fully paid-up equity share capital of ₹10 each. Your Directors have not recommended any final dividend.

Reserves & Surplus

During the financial year 2014-15, a sum of ₹19 Crore have been added to General

NTPC VIDYUT VYAPAR NIGAM LIMITED

Reserve as compared to ₹9 Crore in the previous year.

Current Assets

The current assets at the end of the financial year 2014-15 were ₹1136.32 Crore as compared to ₹1194.19 Crore in financial year 2013-14 registering an overall decrease of 4.85%.

	₹ in Crore	
	31.03.2015	31.03.2014
Inventories	-	0.01
Trade receivables	485.84	268.28
Cash and Bank balances	347.44	637.60
Short term loan and advances	1.06	7.80
Other current assets	301.98	280.50
Total Current Assets	1136.32	1194.19

The cash and bank balance has reduced mainly due to transfer of ash fund balance to NTPC Limited w.e.f 1-1-2015. As on 31-3-2015 trade receivables has increased to ₹485.84 Crore as compared to ₹268.28 Crore as on 31-3-2014. The receivables are equivalent to 46 days as on 31-3-2015 against 28 days as on 31-3-2014. The major amount of receivables has now been recovered from various buyers and balance amount would be realized soon. The Other Current assets has increased to ₹301.98 Crore from ₹280.50 Crore mainly due to increase in unbilled revenue.

Current Liabilities

During the financial year 2014-15, Current Liabilities have increased to ₹960.30 Crore as compared to ₹710.89 Crore in the financial year 2013-14, mainly on account of increase in other current liabilities payable to NTPC Limited for the Investments made from Ash Fund on maturity.

	₹ in Crore	
	31.03.2015	31.03.2014
Trade payables	530.46	477.11
Other current liabilities	424.31	233.78
Short-term provisions	5.53	-
Total Current Liabilities	960.30	710.89

Cash Flow Statement

	₹ in Crore	
	2014-15	2013-14
Opening cash and cash equivalents	637.60	523.03
Net cash from operating activities	(312.12)	82.67
Net cash from investing activities	41.96	31.90
Net cash flow from financing activities	(20.00)	-
Net change in cash and cash equivalents	(290.16)	114.57
Closing cash and cash equivalents	347.44	637.60

The closing cash and cash equivalent for the financial year ended March 31, 2015 has decreased by 45.51% from ₹637.60 Crore in the previous year to ₹347.44 Crore in the current year, due to transfer of Ash utilization Fund to NTPC Ltd. w.e.f 1-1-2015.

Financial Indicators

The various performance indicators for the financial year 2014-15 as compared to financial year 2013-14 are as under:-

	₹ in Crore	
Description	2014-15	2013-14
A i) Capital employed	205.90	186.28
ii) Net worth	205.90	186.28
B i) Return on Capital Employed (PBT/CE)	32%	49%
ii) Return on net worth (PAT/NW)	21%	32%
C Dividend as % of Equity Capital	100	-
D Earning per share in ₹ (EPS) before exceptional item	21.81	30.12

The capital employed as well as net worth has increased due to addition of profit earned during the current financial year. The Return on Capital Employed, Return on Net Worth and EPS of the Company has decreased due to change in presentation of Statement of Profit and Loss for the financial year 2014-15 as compared to previous year. The Return on Capital Employed and Return on Net worth after considering the adjusted Profit Before Tax and Profit After Tax for the financial year 2013-14 is 35% and 23% respectively.

Human Resources

As on 31st March 2015, there were 50 employees posted on secondment basis from holding company viz. NTPC Limited. To achieve the ambitious growth targets, the company has drawn professional manpower from NTPC who have rich experience in dealing in various technical, financial and commercial issues. Continual training and up-gradation of skills of employees is ensured through mandatory training every year.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describes the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the markets in which the Company operates, changes in Government regulations & policies, tax laws and other statutes and incidental factors.

For and on behalf of the Board of Directors

(Dr. ARUP ROY CHOUDHURY)

CHAIRMAN

DIN: 00659908

Place : New Delhi

Date : 28th July, 2015

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

{Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
The Members,
NTPC Vidyut Vyapar Nigam Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by NTPC Vidyut Vyapar Nigam Limited (hereinafter called NVVNL/the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of NVVNL's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial period ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; - Not Applicable
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; - Not Applicable
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - Not Applicable
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;- Not Applicable
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; - Not Applicable
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - Not Applicable
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - Not Applicable
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not Applicable
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - Not Applicable
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and - Not Applicable
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable
- (vi) Compliances/ processes/ systems under other applicable Laws to the Company are being verified on the basis of random sampling.

I have also examined compliance with the applicable clauses of the following:

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India (Not applicable for the Audit period).
- (ii) The Listing Agreement. - Not Applicable.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

1. During the financial year, the composition of the Board and Committees of the Board are not in compliance with the provisions of the Companies Act, 2013, due to non-appointment of Independent Directors.

I further report that the Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

NTPC VIDYUT VYAPAR NIGAM LIMITED

The Company was required to constitute Nomination and Remuneration committee in terms of Section 178 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014. However, the Company has committed to constitute Nomination and Remuneration committee in its ensuing Board Meeting to be held on 28th July, 2015.

The Company was required to appoint CEO & CFO in terms of Section 203 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. However, the Company has committed to re-designate CEO & CFO in its ensuing Board Meeting to be held on 28th July, 2015.

Generally, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and Company is in process of reviewing & strengthening the same.

For Agarwal S. & Associates,
Company Secretaries,

(Sachin Agarwal)
FCS No. : 5774
C.P No. : 5910

Place: New Delhi
Date: July 20, 2015

This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

"Annexure A"

To,
The Members,
NTPC Vidyut Vyapar Nigam Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Agarwal S. & Associates,
Company Secretaries,

(Sachin Agarwal)
FCS No. : 5774
C.P No. : 5910

Place: New Delhi
Date: July 20, 2015

Form No. MGT-9
Extract of Annual Return
as on the financial year ended on March 31, 2015

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

I. REGISTRATION AND OTHER DETAILS:

i) CIN	: U40108DL2002GOI117584
ii) Registration Date	: November 1, 2002
iii) Name of the Company	: NTPC Vidyut Vyapar Nigam Limited
iv) Category / Sub-Category of the Company	: Company Limited by shares
v) Address of the Registered office and contact details	: NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110 003, Ph. No. 011-24360071
vi) Whether listed company Yes / No	: NO
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	: N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/Services	NIC code of the Product/service	% to total turnover of the company
1.	Power Trading	N.A.	99.63

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S.No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
1.	NTPC Limited NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110 003	L40101DL1975GOI007966	Holding	100	Section 2 (46) of the Companies Act, 2013

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF (Nominees of NTPC)	-	700	700	-	-	700	700	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp. (NTPC Limited)	-	1,99,99,300	1,99,99,300	100	-	1,99,99,300	1,99,99,300	100	-
e) Banks/ FI	-	-	-	-	-	-	-	-	-
f) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	2,00,00,000	2,00,00,000	100	-	2,00,00,000	2,00,00,000	100	-
(2) Foreign									
a) NRIs- individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A) (1) + (2)	-	2,00,00,000	2,00,00,000	100	-	2,00,00,000	2,00,00,000	100	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/ FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	-	-	-	-	-	-	-	-	-

NTPC VIDYUT VYAPAR NIGAM LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
2. Non-institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B) (1)+(B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	2,00,00,000	2,00,00,000	100	-	2,00,00,000	2,00,00,000	100	-

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in the shareholding during the year
1.	NTPC Limited	1,99,99,300	100	-	1,99,99,300	100	-	-
2.	Nominee of NTPC	700	-	-	700	-	-	-

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

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2,00,00,000	100	2,00,00,000	100
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) :	No change	No change	No change	No change
	At the End of the year	2,00,00,000	100	2,00,00,000	100

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

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

NTPC VIDYUT VYAPAR NIGAM LIMITED

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Dr. Arup Roy Choudhury, Chairman (As Nominee of NTPC Limited)				
	At the beginning of the year	100	-	100	-
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus /sweat equity etc):	No change	No change	No change	No change
	At the End of the year	100	-	100	-
2.	Shri I.J. Kapoor, Director (As Nominee of NTPC Limited)				
	At the beginning of the year	100	-	100	-
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus /sweat equity etc):	No change	No change	No change	No change
	At the End of the year	100	-	100	-

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	-	-	-
Change in Indebtedness during the financial year				
• Addition				
• Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

B. Remuneration to other directors:

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

NTPC VIDYUT VYAPAR NIGAM LIMITED

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company secretary	CFO	Total
1.	Gross Salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	13,00,574	-	13,00,574
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	46,843	-	46,843
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	0	-	0
2.	Stock Option	-	0	-	0
3.	Sweat Equity	-	0	-	0
4.	Commission - as % of profit - others, specify...	-	0	-	0
5.	Others, please specify	-	0	-	0
	Total	-	13,47,417	-	13,47,417

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors

(Dr. ARUP ROY CHOUDHURY)
CHAIRMAN
DIN: 00659908

Place: New Delhi
Date: 28th July, 2015

Annexure - IV

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis	
(a) Name(s) of the related party and nature of relationship	: Utility Powertech Limited.
(b) Nature of contracts/arrangements/ transactions	: The contract was for hiring of skilled and non-skilled manpower for carrying out the day-to-day activities of the Company.
(c) Duration of the contracts / arrangements/ transactions	: All contracts were for 1 years
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	: Total contract value was ₹1,50,53,875
(e) Justification for entering into such contracts or arrangements or transactions	: Utility Powertech Limited (UPL), a Joint venture Company of NTPC Limited, the holding Company, is providing manpower to joint venture and subsidiaries of NTPC. Since incorporation of the Company, UPL is providing skilled and non-skilled manpower.
(f) Date(s) of approval by the Board	: May 8, 2015
(g) Amount paid as advances, if any:	: Nil
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	: Not Applicable
2. Details of material contracts or arrangement or transactions at arm's length basis	
(a) Name(s) of the related party and nature of relationship	: Not Applicable
(b) Nature of contracts/arrangements /transactions	: Not Applicable
(c) Duration of the contracts / arrangements /transactions	: Not Applicable
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	: Not Applicable
(e) Date(s) of approval by the Board, if any:	: Not Applicable
(f) Amount paid as advances, if any:	: Not Applicable

For and on behalf of the Board of Directors

(Dr. ARUP ROY CHOUDHURY)
CHAIRMAN
DIN: 00659908

Place: New Delhi
Date: 28th July, 2015

NTPC VIDYUT VYAPAR NIGAM LIMITED

Annexure - V

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Keeping in view the size of the Company and manpower required for executing the CSR activities, your Company has adopted the CSR policy of its holding company viz. NTPC Limited and also undertaking CSR activities through NTPC Limited.

NTPC Limited is executing the CSR activities for long and having a formidable set-up for executing CSR activities. The CSR Policy of NTPC Limited is formulated keeping in view the requirements of the Department of Public Enterprises and the Companies Act, 2013. The CSR policy focused on Health, Sanitation, Drinking Water, Education, Capacity Building, Women Empowerment, Social Infrastructure Development, support to Physically Challenged Person (PCPs), and activities contributing towards Environment Sustainability and other subject matter described under schedule VII of the Companies Act, 2013. The CSR policy is also available on the website of the Company: www.nvvn.co.in.

2. The Composition of the CSR Committee.

Name of the Director	Designation
Dr. Arup Roy Choudhury	Chairman
Shri I.J. Kapoor	Director
Shri U.P. Pani (ceased w.e.f.24.3.2015)	Director

3. Average net profit of the company for last three financial years.

The average net profit of the Company for three immediately preceding financial years i.e. 2011-12, 2012-13 and 2013-14 is ₹ 71.19 crore.

4. Prescribed CSR Expenditure.

The Company as per the requirement of the Companies Act, 2013, is required to spend 2% of ₹ 71.19 crore i.e. ₹ 1.42 Crore in the financial year 2014-15.

5. Details of CSR spent during the financial year 2014-15.

(a)	Total amount spent for the financial year	:	₹ 80,24,400
(b)	Amount unspent, if any	:	₹ 62,14,275
(c)	Manner in which the amount spent during the financial year	:	Detailed below

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.No	CSR project or activity identified.	Sector in Which the Project is covered.	Projects or Programs (1) Local area or other (2)Specify the State and the district where projects or programs was undertaken.	Amount outlay (budget) Project or Programs wise	Amount spent on the Projects or programs Sub-heads: (1) Direct expenditure on projects or programs- (2) Overheads:	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through implementing agency*
1	Financial assistance to Swami Chidananda Yoga Centre for Swami Shivananda Centenary Boys High School.	Promotion of education	Bhubaneswar	N.A.	₹ 80,24,400	₹ 80,24,400	Direct
	TOTAL				₹ 80,24,400	₹ 80,24,400	

6. Reasons for not spending two per cent of the average net profit of the last three financial years or any part thereof.

This being the first year of applicability of the provisions on CSR, the Company was not able to find appropriate projects for spending required amount on CSR activities. The shortfall of ₹ 62,14,275 has been transferred to CSR Reserve from surplus in the Statement of Profit and Loss for the financial year 2014-15. Your Company is committed to spend and fulfills its obligation towards CSR activities.

7. A responsibility statement of the CSR Committee

The Responsibility Statement of the Corporate Social Responsibility Committee is reproduced below:

The implementation and monitoring of Corporate Social Responsibility Policy, is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

(N.K. Sharma)
Chief Executive Officer

(Dr. ARUP ROY CHOUDHURY)
CHAIRMAN
DIN: 00659908

Place: New Delhi
Date: 28th July, 2015

NTPC VIDYUT VYAPAR NIGAM LIMITED

NTPC VIDYUT VYAPAR NIGAM LIMITED BALANCE SHEET AS AT 31st MARCH 2015

Particulars	Note	Amount in ₹	
		31.03.2015	31.03.2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	200,000,000	200,000,000
Reserves and surplus	3	1,858,958,021	1,662,832,414
		<u>2,058,958,021</u>	<u>1,862,832,414</u>
Fly Ash Utilization Fund	4	-	3,262,301,631
Non-current liabilities			
Deferred tax liability (net)	5	182,623	463,641
Other Long-term liabilities	6	-	9,857,306
		<u>182,623</u>	<u>10,320,947</u>
Current liabilities			
Trade payables	7	5,304,572,603	4,771,151,370
Other current liabilities	8	4,243,118,212	2,337,765,785
Short-term provisions	9	55,317,010	-
		<u>9,603,007,825</u>	<u>7,108,917,155</u>
TOTAL		<u>11,662,148,469</u>	<u>12,244,372,147</u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	2,473,646	4,375,144
Intangible assets	10	768,974	8,400
Capital work in progress	11	340,811	340,811
Long-term loans and advances	12	295,411,293	297,723,497
		<u>298,994,724</u>	<u>302,447,852</u>
Current assets			
Inventories	13	-	111,244
Trade receivables	14	4,858,394,637	2,682,838,753
Cash and bank balances	15	3,474,391,374	6,376,004,726
Short-term loans and advances	16	10,658,009	78,011,339
Other current assets	17	3,019,709,725	2,804,958,233
		<u>11,363,153,745</u>	<u>11,941,924,295</u>
TOTAL		<u>11,662,148,469</u>	<u>12,244,372,147</u>

Significant Accounting Policies 1

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

For and on behalf of the Board of Directors

(Nitin Mehra) (N.K.Sharma) (K. Biswal) (Dr. Arup Roy Choudhury)
Company Secretary Chief Executive Officer Director Chairman

This is the Balance Sheet referred to in our report of even date
For S S Kothari Mehta & Co.,
Chartered Accountants
Firm Registration No.000756N

Place: New Delhi
Dated: 8th May, 2015

(Naveen Aggarwal)
Partner (M.No.94380)

NTPC VIDYUT VYAPAR NIGAM LIMITED STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED 31st MARCH 2015

Particulars	NOTE	Amount in ₹	
		31.03.2015	31.03.2014
Revenue from operations	18	38,736,009,488	34,757,159,048
Other income	19	143,680,565	566,088,263
Total Revenue		<u>38,879,690,053</u>	<u>35,323,247,311</u>
Expenses			
Purchase of energy	20	37,798,557,473	33,890,629,901
Rebate on energy sale		249,184,221	289,745,050
Cost of fly ash/ash products	21	-	-
Employee benefits expense	22	101,617,828	85,920,961
Finance costs	23	151,770	437,750
Depreciation and amortization expense	10	1,670,866	696,270
Administration & other expenses	24	63,658,474	143,063,887
Total expenses		<u>38,214,840,632</u>	<u>34,410,493,819</u>
Profit before tax		<u>664,849,421</u>	<u>912,753,492</u>
Tax expense:			
Current tax		229,016,592	191,289,024
Deferred tax		(281,018)	179,732,637
MAT credit entitlement		-	(60,628,217)
Total Tax expense		<u>228,735,574</u>	<u>310,393,444</u>
Profit for the year		<u>436,113,847</u>	<u>602,360,048</u>
Significant Accounting Policies	1		
Earnings per equity share (Par value of ₹ 10/- each)			
Basic & Diluted (₹)		21.81	30.12

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

For and on behalf of the Board of Directors

(Nitin Mehra) (N.K.Sharma) (K. Biswal) (Dr. Arup Roy Choudhury)
Company Secretary Chief Executive Officer Director Chairman

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

For S S Kothari Mehta & Co.,
Chartered Accountants
Firm Registration No.000756N

Place: New Delhi
Dated: 8th May, 2015

(Naveen Aggarwal)
Partner (M.No.94380)

NTPC VIDYUT VYAPAR NIGAM LIMITED

NTPC VIDYUT VYAPAR NIGAM LIMITED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

	Amount in ₹	
	31.03.2015	31.03.2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	664,849,421	912,753,492
Adjustment for:		
Depreciation	1,670,866	696,270
Interest Charges	151,770	437,750
Interest income	(113,429,277)	(408,628,689)
Profit on disposal of fixed asset	(4,141)	(405)
Loss on disposal of fixed asset	-	85,789
(Decrease)/Increase in Fly Ash Utilization Fund	(3,470,019,336)	742,848,168
	<u>(3,581,630,118)</u>	<u>335,438,883</u>
Operating Profit before Working Capital Changes	(2,916,780,697)	1,248,192,375
Adjustment for:		
Trade and other receivables	(2,427,839,281)	(1,348,995,767)
Inventories	111,244	23,002
Trade payable and other liabilities	2,428,916,354	1,069,465,760
Loans and advances	5,511,260	10,134,793
	<u>6,699,577</u>	<u>(269,372,212)</u>
Cash generated from operations	(2,910,081,120)	978,820,163
Direct taxes paid	(211,095,157)	(152,153,447)
Net Cash from Operating Activities-A	(3,121,176,277)	826,666,716
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(1,536,399)	(1,329,665)
Disposal of fixed assets	934,620	45,880
Interest on Investments Received	466,927,130	367,866,759
Income Tax on Interest on Investments	(46,762,426)	(47,534,877)
Net Cash used in Investing Activities -B	419,562,925	319,048,097
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(200,000,000)	-
Tax on dividend	-	-
Interest Paid	-	(759)
Net Cash flow from Financing Activities-C	(200,000,000)	(759)
Net Increase/(Decrease) in Cash and Cash equivalents	(2,901,613,352)	1,145,714,054
Cash and Cash equivalents (Opening balance)	6,376,004,726	5,230,290,672
Cash and Cash equivalents (Closing balance)	3,474,391,374	6,376,004,726

NOTES

1. Cash and Cash Equivalents consist of Cash in Hand & Balance with Banks. Cash & cash equivalents included in the cash flow statement comprise of following balance sheet amounts as per Note 15.

Cash and cash equivalents	314,220,595	572,888,726
Deposits included in other bank balances	1,464,684,042	2,540,544,859
Other bank balances-Others#	1,695,486,737	3,262,571,141
Cash & cash equivalent as restated (Note 15-Cash & bank balances)	3,474,391,374	6,376,004,726
# Amounts which are not available for use towards:		
Term deposit as security with Sales Tax Authorities	25,000	25,000
Term Deposits Fly Ash Utilisation Fund	1,571,139,084	3,148,988,493
Term Deposit as per the directive from the Hon'ble High Court of Delhi	124,322,653	113,557,648
	<u>1,695,486,737</u>	<u>3,262,571,141</u>

2. Previous period figures have been regrouped/rearranged wherever necessary.

For and on behalf of the Board of Directors

(Nitin Mehra)	(N.K.Sharma)	(K. Biswal)	(Dr. Arup Roy Choudhury)
Company Secretary	Chief Executive Officer	Director	Chairman

This is the Cash flow statement referred to in our report of even date

For S S Kothari Mehta & Co.,
Chartered Accountants
Firm Registration No.000756N

Place: New Delhi
Dated: 8th May, 2015

(Naveen Aggarwal)
Partner (M.No.94380)

NTPC VIDYUT VYAPAR NIGAM LIMITED

Notes to the financial statements for the year ended 31st March 2015

1. Significant accounting policies

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 standard specified under Section 133 of Companies Act 2013, read with rule 7 of Companies (Accounts) Rules, 2014, the Companies Act, 2013 (to the extent notified and applicable) and applicable provisions of the Companies Act 1956.

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. Fly Ash Utilisation Fund

1. Sale of fly ash/ ash products are accounted for based on rates agreed with the customers. Amounts collected are kept under separate account head "Fly Ash Utilization Fund" in accordance with the gazette notification dated 3rd November 2009 issued by Ministry of Environment and Forests (MoEF), Government of India.
2. Interest earned (net of Income Tax) on "Fly Ash Utilization Fund" is credited to the fund.
3. Expenses incurred by the company/ holding company in relation to utilisation of fly ash are charged to the "Fly Ash Utilization Fund".

D. Fixed Assets

1. Tangible Assets are carried at historical cost less accumulated depreciation.
2. Intangible assets are stated at their cost of acquisition less accumulated amortisation.
3. Fixed Assets acquired out of fly ash utilization fund are directly charged to the fly ash utilization fund.

E. 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.

F. Inventories

1. Inventories are valued at the lower of, cost determined on weighted average basis, and net realizable value.
2. The diminution in value of obsolete / unserviceable items is ascertained on review and provided for.

G. Income recognition

1. Sale of energy is accounted for based on the rates agreed with the customers.
2. Interest earned on "Fly Ash utilization fund" is credited to other income.
3. The surcharge on late payment/overdue trade receivables for sale of energy and liquidated damages are recognized when no significant uncertainty as to measurability or collectability exists.

H. Expenditure

- a) Depreciation /amortisation
 1. Depreciation is charged on straight line method according to useful lives specified in Schedule II of the Companies Act, 2013.
 2. 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.
 3. Assets costing up to ₹ 5,000/- are fully depreciated in the year of acquisition.
 4. Cost of software recognized as intangible asset, is amortized on straight line method over a period of legal right to use or 3 years, whichever is less.

b) Other expenditure

1. Expenses on training & recruitment and research & development are charged to revenue in the year incurred.
2. Prepaid expenses and prior period expenses/income of items of ₹ 1,00,000/- and below are charged to natural heads of accounts.

I. Employee benefits

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

J. 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.

NTPC VIDYUT VYAPAR NIGAM LIMITED

K. Provision and contingent liabilities

A provision is recognized 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.

L. Cash flow statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) 3 on 'Cash Flow Statements'.

M. 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 / virtual certainty that the asset will be realized in future. Deferred tax assets are reviewed at each reporting date for their reasonability.

2. SHARE CAPITAL

As at	Amount in ₹	
	31.03.2015	31.03.2014
Equity Share Capital		
Authorised		
2,00,00,000 shares of par value of ₹10/- each (Previous period 2,00,00,000 shares of par value of ₹10/- each)	200,000,000	200,000,000
Issued, subscribed and fully paid-up		
2,00,00,000 shares of par value of ₹ 10/- each (Previous period 2,00,00,000 shares of par value of ₹ 10/- each)	200,000,000	200,000,000

- During the period, the company has not issued/bought back any equity shares.
- 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 shareholding at the meetings of its shareholders subject to approval of the shareholders.
- All shares are held by the Holding Company i.e. NTPC Limited and its nominees.
- Details of shareholders holding more than 5% shares in the company:

Particulars	31.03.2015		31.03.2014	
	No. of shares	%age holdings	No. of shares	%age holdings
NTPC Limited and its nominees	20,000,000	100	20,000,000	100

3. Reserves and Surplus

As at	Amount in ₹	
	31.03.2015	31.03.2014
General Reserve		
As per last financial statements	1,657,938,002	1,567,938,002
Add: Transfer from Surplus in the Statement of Profit and Loss	190,000,000	90,000,000
Closing balance	1,847,938,002	1,657,938,002
CSR Reserve		
As per last financial statements	-	-
Add: Transfer from Surplus in the Statement of Profit and Loss	6,214,275	-
Closing balance	6,214,275	-
Surplus in the Statement of Profit and Loss		
As per last financial statements	4,894,412	(337,346,850)
Add : Profit/(Loss) after tax for the period from the Statement of Profit and Loss	436,113,847	602,360,048
Less: Transfer to General Reserve	190,000,000	90,000,000
Transfer to CSR Reserve (Note 31)	6,214,275	-
Transfer to Fly Ash Utilisation Fund (interest)(Note 4)	-	170,118,786
Dividend paid	200,000,000	-
Tax on dividend paid	39,988,240	-
Net surplus/(deficit)	4,805,744	4,894,412
Total	1,858,958,021	1,662,832,414

During the year, the Company has paid interim dividend of ₹ 10/- (previous year ₹ Nil) per equity share of par value ₹ 10/- each for the year 2014-15

4. Fly Ash Utilization Fund

As at	Amount in ₹	
	31.03.2015	31.03.2014
As per last financial statements	3,262,301,631	2,349,334,677
Add: Transfer from sales (Note 18)	874,234,784	1,225,513,224
Add: Transfer from other Income (Note 19) (Net of tax)	207,717,705	-
Transfer from reserve and surplus Note 3) (Net of tax)	-	170,118,786
Less: Utilized during the year		
Capital expenditure (Note 10)	-	4,915,087
Cost of fly ash/ash products (Note 21)	22,311,593	28,905,770
Employee benefits expense (Note 22)	40,219,471	57,327,339
Administration & other expenses (Note 24)	42,891,315	51,313,853
Fly ash utilisation expenses incurred by holding company	347,207,619	340,203,007
	452,629,998	482,665,056
Net Fly ash utilisation fund	3,891,624,122	3,262,301,631
Less: Fly Ash Fund Transferred to NTPC Limited	3,891,624,122	-
Total	-	3,262,301,631

- The Company sells fly ash and cenosphere given free of cost by its holding company NTPC Limited. As per the gazette notification dated 3rd November 2009 issued by Ministry of Environment and Forests (MoEF), Government of India, the amounts collected from sale of fly ash and fly ash based products shall be kept in a separate account head and be utilized only for development of infrastructure or facilities, promotion and facilitation activities for use of fly ash until 100% fly ash utilization level is achieved. In compliance with the said notification, the company has created a fly ash utilization fund in its books of accounts to which the entire sale proceeds of fly ash and cenosphere for the year amounting to ₹87,42,34,784/- (previous year ₹1,22,55,13,224/-) has been transferred.
- Further, during the year, interest earned on the fund amounting to ₹20,77,17,705/- (net of income tax) (Gross ₹31,46,76,117/-) has been transferred from "Other Income" (Note 19) [previous year ₹17,01,18,786/-, (net of income tax)] from "Reserve and surplus" (Note 3).
- During the financial year 2013-14 the holding company framed a policy guideline for utilisation of Ash Fund created from sale of fly ash/ fly ash products, in reference to the above notification dated 03.11.2009, including employee cost and other administrative expenditure incurred at its various coal based generating stations/offices. These expenses mainly pertain to the development of infrastructure or facilities, promotion and facilitation activities so as to increase the utilisation of fly ash. Therefore, during the current year company has charged an amount of ₹45,26,29,998/- (previous year ₹48,26,65,056/-) to the fund as fly ash utilisation expenses, which includes ₹34,72,07,619/- (previous year ₹34,02,03,007/-) incurred and certified by holding company.
- The indirect expenses incurred by the company amounting to ₹4,27,52,797/- on account of employee benefits and administration & other expenses have been allocated in the ratio of gross margin on sale of power and fly ash & its products.
- As per the management decision (note dated 12.09.2014), all the activities related to sale of fly ash & closing balance of fly ash utilisation fund has been transferred to NTPC Limited (holding company) w.e.f 1st Jan 2015.

5. Deferred Tax Liabilities (net)

As at	Amount in ₹	
	31.03.2015	31.03.2014
Deferred tax liability		
Difference of book depreciation and tax depreciation	258,452	463,641
Less: Deferred tax asset	-	-
Provisions & other disallowances for tax purposes	75,829	-
Total	182,623	463,641

- The net change in deferred tax of ₹ 2,81,018/- has been credited [Previous year ₹17,97,32,637/- charged] to Statement of Profit and Loss.
- Deferred tax asset and deferred tax liability have been offset as they relate to the same governing law.

6. Other Long-Term Liabilities

As at	Amount in ₹	
	31.03.2015	31.03.2014
Deposits from customers (Note- 38)	-	9,857,306
Total	-	9,857,306

Disclosure with respect to Micro, Small and Medium Enterprises as required by Micro, Small and Medium Enterprises Development Act, 2006 is made in Note 29.

7. Trade Payables

As at	Amount in ₹	
	31.03.2015	31.03.2014
Trade Payable	5,304,572,603	4,771,151,370
	5,304,572,603	4,771,151,370

Disclosure with respect to Micro, Small and Medium Enterprises as required by Micro, Small and Medium Enterprises Development Act, 2006 is made in Note 29.

NTPC VIDYUT VYAPAR NIGAM LIMITED

8. Other Current Liabilities

	Amount in ₹	
As at	31.03.2015	31.03.2014
Advances from customers and others	1,561,825	74,778,233
Payable for capital expenditure	340,811	340,811
Other payables		
- Tax deducted at source and other statutory dues	41,055,022	15,170,725
- Deposits from customers and others	3,025,636	39,045,369
- Payable to holding company (Note 38)	1,815,401,012	270,359,888
- Payable to employees	11,190,154	18,404,539
- Retention on A/c BG encashment (Solar)	1,991,185,630	1,618,161,629
- Payable to Solar Payment Security Account	176,729,785	183,598,578
- Others	202,628,337	117,906,013
Total	4,243,118,212	2,337,765,785

a) Other payables-Payable to holding company includes payable on account of Fly Ash Utilisation Fund.

b) Other payables-Retention on A/c BG encashment (solar) comprises of:

Particulars	As at 01.04.2014	For the year ended 31.03.2015	As at 31.03.2015
Amount received as liquidated damages on late commissioning of solar power plants	1,474,289,003	366,430,004	1,840,719,007
Add: Interest accrued on unutilised amount	156,896,020	24,994,633	181,890,653
Less: Legal expenses	13,023,394	18,400,636	31,424,030
Net Balance- Retention on A/c BG encashment (Solar)	1,618,161,629	373,024,001	1,991,185,630

10. Fixed Assets

	Amount in ₹									
	Gross Block				Depreciation/Amortisation				Net Block	
	As at 01.04.2014	Additions	Deduction/ Adjustment	As at 31.03.2015	Upto 01.04.2014	For the year	Deduction/ Adjustment	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
A. Tangible Assets										
Plant and machinery (including associated civil works)	1,195,000	-	1,195,000	-	264,891	63,171	328,062	-	-	930,109
Furniture and fixtures	1,007,947	215,848	-	1,223,795	287,560	130,681	-	418,241	805,554	720,387
Office equipment	1,260,667	-	687,834	572,833	958,936	116,360	653,443	421,853	150,980	301,731
EDP, WP machines and satcom equipment	5,380,803	368,570	1,238,419	4,510,954	3,060,673	1,162,000	1,133,291	3,089,382	1,421,572	2,320,130
Communication equipments	111,146	-	-	111,146	8,359	7,247	-	15,606	95,540	102,787
Total (A)	8,955,563	584,418	3,121,253	6,418,728	4,580,419	1,479,459	2,114,796	3,945,082	2,473,646	4,375,144
B. Assets created from fly ash utilization fund										
Plant & machinery	8,334,794	-	8,334,794	-	-	-	-	-	-	8,334,794
Furniture and fixtures	45,754	-	45,754	-	-	-	-	-	-	45,754
Office equipment	135,334	-	135,334	-	-	-	-	-	-	135,334
Roads, bridges, culverts	35,284,854	-	35,284,854	-	-	-	-	-	-	35,284,854
Temporary erection	2,044,208	-	2,044,208	-	-	-	-	-	-	2,044,208
Total	45,844,944	-	45,844,944	-	-	-	-	-	-	45,844,944
Less: Set off against Fly Ash Utilization Fund (Note 4)	45,844,944	-	45,844,944	-	-	-	-	-	-	45,844,944
Total (B)	-	-	-	-	-	-	-	-	-	-
Grand Total (A+B)	8,955,563	584,418	3,121,253	6,418,728	4,580,419	1,479,459	2,114,796	3,945,082	2,473,646	4,375,144
Previous year	8,138,884	988,854	172,175	8,955,563	3,931,360	689,970	40,911	4,580,419	4,375,144	4,207,524
C. Intangible Assets										
Software	255,491	951,981	-	1,207,472	247,091	191,407	-	438,498	768,974	8,400
Total (C)	255,491	951,981	-	1,207,472	247,091	191,407	-	438,498	768,974	8,400
Previous year	255,491	-	-	255,491	240,791	6,300	-	247,091	8,400	14,700

11. Capital work-in progress

	Amount in ₹				
	As At 01.04.2014	Additions	Deductions/ Adjustments	Capitalised	As at 31.03.2015
Furniture and fixtures	-	-	-	-	-
EDP, WP machines and satcom equipment	340,811	-	-	-	340,811
Total	340,811	-	-	-	340,811
Previous year	-	340,811	-	-	340,811

-The above treatment in "Retention on A/c BG encashment (Solar)" is made as per the directions received from the Ministry of New and Renewable Energy (MNRE) vide letter ref. no. 29/5/2010-11/JNNSM(ST) dated 29.06.2012 and clarifications thereafter.

-The Company had utilised ₹ 1,10,43,40,543/- from "Retention on A/c BG encashment (Solar)" for non payment of dues by its customers under JNNSM scheme.

c) Other payables-Payable to Solar Payment Security Account : Upto current year, the company has withdrawn an amount of ₹ 17,67,29,785/- (net of SPSA Management Fess @1%) on account of default by its customers from Solar Payment Security Account as per the directions received from the Ministry of New and Renewable Energy (MNRE).

d) Other payables- Others include the amount received on encashment of the Bank Guarantee of ₹9,50,65,000/- on 02.11.2011 invested in Fixed Deposit as per the directive from the Hon'ble High Court of Delhi till the matter is settled through Arbitration. Further, interest accrued thereon upto current year amounting to ₹3,38,52,887/- (upto previous year ₹ 2,28,41,013/-) also stands credited in the said account.

e) Considering the directions received from MNRE and opinion of the tax consultant, there is a transfer of proceeds from BG encashment by overriding effect because the proceeds from BG encashment do not belong to the company since it has to be used for specified purposes and there will be no tax liability.

9. Short-Term Provisions

	Amount in ₹	
As at	31.03.2015	31.03.2014
Provision for		
Provision for current tax #	15,328,770	-
Provision for tax on dividend	39,988,240	-
Total	55,317,010	-

Provision for current tax is net of advance tax paid & TDS deducted.

-Disclosure as per AS 29 'Provisions, Contingent Liabilities and Contingent Assets' has been made in Note 33.

NTPC VIDYUT VYAPAR NIGAM LIMITED

12. Long-Term Loans and Advances

As at	Amount in ₹	
	31.03.2015	31.03.2014
(Unsecured, considered good, unless otherwise stated)		
Deposits*	2,550,000	2,550,000
Advances		
Refund due from Income Tax Authority	17,668,864	17,668,864
Advance tax & tax deducted at source	1,027,494,222	1,029,806,426
Less:- Provision for taxation	752,301,793	752,301,793
	292,861,293	295,173,497
Total	295,411,293	297,723,497

*Deposit with Sales Tax Authority ₹ 50,000/- (previous year ₹ 50,000/-) and Indian Energy Exchange (IEX) ₹25,00,000/- (previous year ₹ 25,00,000/-).

13. Inventories

As at	Amount in ₹	
	31.03.2015	31.03.2014
Stock-in-Trade-Cenosphere (Note 38)	-	111,244
Total	-	111,244

Stock-in-Trade-Cenosphere has been valued considering the significant accounting policy No. F.1 of Note 1 to these financial statements.

14. Trade Receivables

As at	Amount in ₹	
	31.03.2015	31.03.2014
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, Considered good		
Energy	1,378,726,234	1,105,877,827
Open Access Charges(OAC)	27,600,332	9,541,179
Considered doubtful (Energy&OAC)	223,091	-
Less: Allowance for bad & doubtful receivables(Energy)	223,091	-
	1,406,326,566	1,115,419,006
Others-unsecured, considered good		
Energy	3,255,739,830	1,406,038,094
Open Access Charges(OAC)	196,328,241	161,381,653
	3,452,068,071	1,567,419,747
Total	4,858,394,637	2,682,838,753

Unbilled revenues of ₹ 2,88,74,47,724/- (previous year ₹ 263,51,64,327/-) is stated in Note 17.

15. Cash & Bank Balances

As at	Amount in ₹	
	31.03.2015	31.03.2014
Cash & cash equivalents		
Balances with banks		
- Current Accounts	313,896,538	571,637,044
- Current Account-Fly Ash (Note 38)	324,057	1,251,682
Other bank balances		
Deposits with original maturity of more than three months but not more than twelve months	1,464,684,042	2,540,544,859
Others #	1,695,486,737	3,262,571,141
Total	3,474,391,374	6,376,004,726
# Not available for use to the Company and include:		
Term deposit as security with Sales Tax Authorities	25,000	25,000
Term Deposits Fly Ash Utilisation Fund (Note 38)	1,571,139,084	3,148,988,493
Term Deposit as per the directive from the Hon'ble High Court of Delhi	124,322,653	113,557,648
	1,695,486,737	3,262,571,141

16. Short-Term Loans and Advances

As at	Amount in ₹	
	31.03.2015	31.03.2014
(Unsecured, considered good, unless otherwise stated)		
MAT credit entitlement	-	60,628,217
Others*	9,358,009	7,359,462
Deposits	1,300,000	10,023,660
Total	10,658,009	78,011,339

*Others include advance to Arbitrators ₹86,48,349/- (previous year ₹39,09,454/-), OAC advance ₹25000/- (previous year ₹28,88,208/-) and prepaid/advance to Indian Energy Exchange ₹6,84,660/- (previous year ₹5,61,800/-).

17. Other Current Assets

As at	Amount in ₹	
	31.03.2015	31.03.2014
(Unsecured, considered good, unless otherwise stated)		
Interest accrued on term deposits	129,284,380	168,106,116
Amounts recoverable	2,901,643	1,687,790
Asset held for disposal	75,978	-
Unbilled revenues*	2,887,447,724	2,635,164,327
Total	3,019,709,725	2,804,958,233

*Unbilled revenues are for sales of energy for which the bills have been raised to customers subsequent to the reporting date.

18. Revenue from Operations

For the year ended	Amount in ₹	
	31.03.2015	31.03.2014
Sales		
Energy	38,352,190,444	34,415,322,234
Fly Ash / Fly ash product	874,234,784	1,225,513,224
Less: Transferred to Fly Ash Utilization Fund (Note 4)	874,234,784	1,225,513,224
	-	-
	38,352,190,444	34,415,322,234

Other Operating Income

Rebate on energy purchase	383,819,044	341,836,814
Total	38,736,009,488	34,757,159,048

a) Sale of bilateral energy and energy under SWAP arrangements in million units (Mus) are recognized on the basis of Joint meter reading(JMR)/monthly Regional Energy Accounts (REA) issued by the concerned Regional Power Committee (RPC).

b) Sale of bilateral energy includes compensation received of ₹ 6,76,52,381/- (previous year ₹25,75,135/-) due to lesser supply/drawl of power by the supplier/buyers and open access charges on energy trading borne by the company.

c) Sale of energy under Swap arrangements is billed by margin only to buyers.

d) Sale of energy through energy exchange is recognised by brokerage only.

19. Other income

For the year ended	Amount in ₹	
	31.03.2015	31.03.2014
Interest from		
Banks	453,100,027	471,377,603
Less: Transferred to Fly Ash Utilization Fund (Note 4) [amount transferred ₹ 20,77,17,705/- (net of tax)]	314,676,117	-
-Transferred to retention on A/c BG encashment (Solar) (Note 8)	24,994,633	62,748,914
	113,429,277	408,628,689

Other non-operating income

Surcharge/ other recoveries from Customers	20,289,478	149,637,942
Management fees	9,047,199	7,743,238
Profit from disposal of fixed assets	4,141	405
Miscellaneous Income #	910,470	77,989
Total	143,680,565	566,088,263

Interest Income excludes interest on fly ash utilisation fund ₹ 31,46,76,117/- (previous year includes ₹25,77,16,688/-)

#Miscellaneous income includes liquidated damages recovered/ sundry balance written back ₹ 9,10,470/- (previous year ₹ 77,989/-).

20. Purchase of energy

For the year ended	Amount in ₹	
	31.03.2015	31.03.2014
Purchase of Energy	37,798,557,473	33,890,629,901
Total	37,798,557,473	33,890,629,901

a) Purchase of energy in million units (Mus) are recognized on the basis of monthly Joint meter reading (JMR)/ Regional Energy Accounts (REA) issued by the concerned Regional Power Committee (RPC).

b) Bilateral energy purchase includes compensation payment of ₹6,76,36,551/- (previous year ₹25,58,042/-) due to lesser supply/drawl of power by the Company.

21. Cost of Fly Ash/Ash Products

For the year ended	Amount in ₹	
	31.03.2015	31.03.2014
Fly Ash-duty & taxes	22,039,473	28,682,615
Cenosphere -collection & packing charges	272,120	223,155
	22,311,593	28,905,770
Less: Transferred to Fly Ash Utilization Fund (Note 4)	22,311,593	28,905,770
Total	-	-

NTPC VIDYUT VYAPAR NIGAM LIMITED

22. Employee Benefits Expense

Amount in ₹

For the year ended	31.03.2015	31.03.2014
Salaries and wages	113,561,556	116,677,019
Contribution to provident and other funds	21,858,851	19,562,059
Staff welfare expenses	6,416,892	7,009,222
	141,837,299	143,248,300
Less: Transferred to Fly Ash Utilization Fund (Note 4)	40,219,471	57,327,339
Total	101,617,828	85,920,961

a) In accordance with Significant Accounting policy No. I of Note 1, an amount of ₹2,18,58,851/- (previous year ₹1,95,62,059/-) towards provident fund, pension, gratuity, post retirement medical facilities & other terminal benefits and ₹68,05,918/- (previous year ₹54,51,581/-) towards leave & other benefits are paid/payable to the holding Company and included under Employee benefits (Note 22).

23. Finance Costs

Amount in ₹

For the year ended	31.03.2015	31.03.2014
Interest on :		
Others*	151,770	437,750
Total	151,770	437,750

*Others include interest accrued on account of deferment of advance tax under the provisions of the Income Tax Act, 1961 during the previous year.

24. Administration & Other Expenses

For the year ended	31.03.2015	31.03.2014
Power charges	1,530,227	556,673
Rent	41,376,689	38,124,678
Repairs & maintenance		
Office	3,281,018	3,409,684
Others	387,636	261,928
	3,668,654	3,671,612
Insurance	18,876	27,777
Rates and taxes	4,000,000	4,000,000
Training & recruitment expenses	129,516	115,818
Communication expenses	2,693,563	2,555,354
Inland Travel	8,100,074	8,754,300
Foreign Travel	886,954	807,747
Tender expenses	1,339,654	4,083,650
Less: Receipt from sale of tenders	115,000	1,010,000
	1,224,654	3,073,650
Payment to auditors		
Audit fee to statutory auditors	140,450	84,270
Statutory Auditor-Other capacity	56,180	33,708
	196,630	117,978
Entertainment expenses	1,230,087	827,733
Brokerage & commission	310,642	383,108
Community development and welfare expenses	8,024,400	1,033,222
Ash utilisation & marketing expenses	687,259	371,712
Books and periodicals	74,373	20,730
Professional charges	26,055,766	27,420,981
Surcharge expenses	972,882	96,324,167
Legal expenses	259,321	646,949
EDP hire and other charges	48,831	77,340
Printing and stationery	428,670	292,132
Hiring of vehicles	468,815	824,406
Bank charges/LC Charges	1,063,369	2,803,398
Miscellaneous expenses	2,876,446	1,460,486
Loss on disposal/write-off of fixed assets	-	85,789
	106,326,698	194,377,740
Less: Transferred to Fly Ash Utilization Fund (Note 4)	42,891,315	51,313,853
	63,435,383	143,063,887
Provision for doubtful debts	223,091	-
Total	63,658,474	143,063,887

25 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.

26 Disclosure regarding leases:

The Company's significant leasing arrangement are in respect of operating leases of the premises for residential use of the employees amounting to ₹50,80,687/- (Previous year ₹89,01,690/-) and are included in Note 22-"Employee Benefits Expense". Similarly, lease payments in respect of premises for offices amounting to ₹4,13,76,689/- (Previous year ₹3,81,10,072/-) are shown in Rent in Note 24-"Administration and Other

Expenses". The significant leasing arrangements for such leases are entered into by the Company and its Holding Company i.e. NTPC Limited and these leasing arrangements are usually renewable on mutually agreed terms but are not non-cancelable.

27 Estimated amount of contract remaining to be executed on capital account and not provided for as at 31.03.2015 is ₹ Nil (previous year ₹ Nil/-).

28 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:

	Year ended 31.03.2015	Year ended 31.03.2014
Net profit/(loss) after Tax as numerator(₹)	436,113,847	602,360,048
Weighted average number of equity shares used as denominator	20,000,000	20,000,000
Earning per share (Basic & Diluted)-(₹)	21.81	30.12
Face Value per share-(₹)	10/-	10/-

29 Disclosure in respect of Micro, Small and Medium Enterprises as at 31.03.2015 as required by Micro, Small and Medium Enterprises Development Act, 2006 is ₹ 'Nil' (previous year ₹ 'Nil').

30 There are no external/internal indicators which leads to any impairment of assets of the company as required by Accounting Standard (AS) 28 'Impairment of Assets' notified under the Companies (Accounting Standards) Rules, 2006.

31 As per Section 135 of Companies Act 2013, the Company needs to spend ₹1,42,38,675/- during the current financial year 2014-15 under the Corporate Social Responsibility (CSR). Company was able to spend only ₹80,24,400/- (Note 24) and as such the company has made appropriation for the shortfall of ₹ 62,14,275/- by transferring from "Surplus in the statement of Profit & Loss" to "CSR Reserve" as per DPE guidelines and EAC opinion (Note 3). Further, company has committed an amount of ₹ 8,91,600/- towards CSR, which is yet to be released/expanded by the company.

32 During the year, the company started providing depreciation in accordance with schedule II of the Companies Act 2013, which was notified on March 27, 2014. Considering the revision in the useful life, depreciation for the year has increased by ₹6,80,302/- which has been charged to statement of profit and loss in the current year.

33 Contingent Liabilities:

a) Liability, if any, on account of late payment to suppliers is unascertainable.

b) Others:

-Various solar power developers challenged the encashment/ forfeiture of EMD/Bid bond under provisions of PPA before arbitrator/High Courts. The contingent liability of ₹ 2,21,00,22,510/- and interest claim of ₹62,06,56,992/- thereon (previous year contingent liability ₹97,65,00,510/- and interest of ₹23,48,98,770/-) has been estimated. Any possible liability crystallised on the above will be 1st recovered from " Retention on A/c BG encashment (Solar)" (Note 8).

-One party has challenged the invocation of BG of ₹ 1,00,00,000/- on the ground of non conclusion of contract with the company for Ash Business. Interest on above has been estimated till current year ₹63,51,781/- (till previous year ₹45,51,781/-).

-535 Million units supplied by the sellers under SWAP arrangements are yet to be returned- Amount uncertainable.

34 Quantitative information: (As certified by the Management)

	Year ended 31.03.2015	Year ended 31.03.2014
a) Trading of energy (MUs) (including REC's)	10,421	9,322
b) Trading of Fly Ash / Cenosphere (MTs)		
Fly Ash	3,622,028	4653424
Cenosphere	365	225
35 a) Expenditure in foreign currency (₹):		
	Year ended 31.03.2015	Year ended 31.03.2014
i) Travelling Expenses	345,771	490,073
ii) Others	-	272,650
b) Earning in foreign currency (₹)		
Trading of Power	4,459,493,332	2,118,538,172

36 Segment information :

The Company's principal businesses are trading of energy and trading of fly ash/ ash products. The amount collected from sale of fly ash/ash products are dealt with as per significant accounting policy No.C.1. of Note 1. As such there is no reportable segment as at 31.03.2015

37 Disclosure as per Accounting Standard - 18 on 'Related Party Disclosures' Related party: Utility Powertech Ltd., (Joint Venture Company of NTPC Limited(Holding Company)

Transactions with the related party Utility Powertech Ltd. are as follows:

Particulars	(Amount in ₹)	
	Year ended 31.03.2015	Year ended 31.03.2014
Contracts for services for services received by the Company:	27,327,135	28,649,080

NTPC VIDYUT VYAPAR NIGAM LIMITED

The company's management is of the opinion that its domestic transactions with related parties are at arms length and will not have any impact on financial statements for the year ended 31.03.2015

38 During the financial year 2014-15, as per the management decision (note dated 12.09.2014), the Ash Business was transferred from NVVN to NTPC Limited (Holding Company) w.e.f 01.01.2015, on as is basis. It involved transfer of Fly Ash Fund, Advances, Security Deposit/Bid Security, Inventory of Cenosphere and Assets pertaining to Ash Business on book value, which has been appropriately disclosed under the relevant notes. The modality of transfer of Ash business as finalised and approved by the management, provided that, Fly Ash Fund invested in Fixed Deposit with listed banks be transferred to designated bank account of NTPC Limited as and when it matures after the transfer of ash business along with interest. Balance to the extent of unmaturing fixed deposit and unpaid bank balance is appearing in other current liabilities as payable to holding company (Note 8).

As per the requirements of Ministry of Environment and Forest (MoEF) vide gazette notification dated 3rd November 2009, fly ash sale proceeds were to be utilised in the approved manner. Accordingly, NVVN is crediting the Fly Ash Fund with all the sale proceeds from the Fly Ash Business and related expenditures are incurred from such specified fund. Consequently, it has no impact on the profit and loss account of the company and thus it is not considered for the disclosures required under Accounting Standard 24 Discontinuing Operations.

39 Figures in the Financial Statements have been rounded off to nearest rupee.

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

For and on behalf of the Board of Directors

(Nitin Mehra)	(N.K.Sharma)	(K. Biswal)	(Dr. Arup Roy Choudhury)
Company Secretary	Chief Executive Officer	Director	Chairman

These are notes referred to in Balance Sheet and statement of profit & loss
For S S Kothari Mehta & Co.,
Chartered Accountants
Firm Registration No.000756N

Place: New Delhi (Naveen Aggarwal)
Dated: 8th May, 2015 Partner (M.No.94380)

INDEPENDENT AUDITORS' REPORT

To

The Members

NTPC Vidyut Vyapar Nigam Limited

We have audited the accompanying financial statements of NTPC Vidyut Vyapar Nigam Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2015, Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company Board of directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standard specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of this act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of adequate accounting policies; making judgment and estimates that are reasonable and prudent; the design, implementation and maintenance of internal controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of this Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain

reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

- in the case of the Balance Sheet, of the state of affairs of the Company as at March 31 2015;
- in the case of the of Profit and Loss, of the profit for the year ended on that date; and
- in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

- The company has appropriated from Fly Ash Utilization Fund, inter-alia, expenses incurred by the holding company i.e. NTPC of Rs.34,72,07,619 which are stated to have been made on the basis of policy guidelines as framed by NTPC/NVVN dated 25th March 2014, in reference to the notification dated 03-11-2009 issued by Ministry of Environment & Forests, Govt. of India. In this regard we have relied upon a declaration issued by the holding company i.e NTPC, confirming that the above expenditure has been incurred by NTPC for Fly Ash Utilization activities in terms of the above said notification dated 03-11-2009. [Refer Note No. 4(c)]
- The Company has transferred the Fly Ash Business on, 'as is basis' to its holding company w.e.f. 1st January, 2015 by transferring all assets, liabilities, rights and obligations at book value along with the fund required to be utilized as per the guidelines of Ministry of Environment & Forests [Refer Note No. 38], which has no impact on the Statement of Profit & Loss Account of the current year.

Our opinion is not qualified in respect of these matters.

Report on Legal and Other Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of subsection (11) of Sec 143 of the Act, we give in the Annexure (A) a statement on the matters specified in paragraph 3 & 4 of the order.
- We are enclosing our report in terms of section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the Annexure (B) on the directions and sub-directions issued by "Comptroller and Auditor General of India."
- As required by Section 143 (3) of the Act, we report that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with us this Report are in agreement with the books of account.
 - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.

NTPC VIDYUT VYAPAR NIGAM LIMITED

- (f) The Company has adequate internal financial controls system in place and it is operating effectively.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer note 33 of the financial statement.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.S.Kothari Mehta & Co.
Chartered Accountants
Firm Registration Number: 000756N

(Naveen Aggarwal)
Partner
Membership Number: 094380

Place: New Delhi
Date : 8th May, 2015

ANNEXURE (A) TO THE INDEPENDENT AUDITOR'S REPORT

Statement referred to in our report of even date to the members of **NTPC VIDYUT VYAPAR NIGAM LIMITED** on the financial statements for the year ended 31st March 2015.

We report that:

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us the fixed assets have been physically verified by the management at reasonable intervals having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (ii) a) As explained to us physical verification of inventory have been conducted by company at reasonable intervals. There is no inventory in the company as on 31st March, 2015.
- b) Procedure of physical verification of inventory followed by the company are reasonable and adequate in relation to size of the company. There is no inventory in the company as on 31st March, 2015.
- c) Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification. There is no inventory in the company as on 31st March, 2015.
- (iii) The company has not granted any loans secured or unsecured to any company, firm or other party listed in the register maintained under Section 189 of the Companies Act, 2013.
- In view of above clause (iii) (a), and clause (iii) (b) of "the Order" are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and also for sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weakness in internal control system.
- (v) The company has not accepted deposits from the public, therefore provision of section 73-76 of Companies Act 2013 is not applicable to the company. Hence provision of clause 3(v) of "the Order" is not applicable to the company.
- (vi) The Central Government has not prescribed maintenance of

cost accounts and records under section 148 of the Companies Act, 2013.

- (vii) (a) The employees of the company are on secondment basis from its holding company i.e. NTPC Ltd. As explained to us, the holding company is regular in depositing undisputed statutory dues including provident fund, employee state insurance etc. According to the information and explanation given to us, according to the records of the company income tax, sales tax and service tax are being deposited by the company on regular basis with the appropriate authority during the year. Duty of customs, duty of excise, value added tax, cess and other related statutes are not applicable to the company. According to the information and explanations given to us, there are no undisputed provident fund, income tax, sales tax & service tax in arrear as at 31st March, 2015 for a period of more than six month from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of sales tax, income tax and service tax which have not been deposited on account of any dispute. Duty of customs, duty of excise, value added tax, cess and other related statutes are not applicable to the company.
- (c) As per section 205(C) of the Companies Act 1956, company is not required to transfer any amount to investor education and protection fund, therefore provision of clause 3(vii)(c) of "the Order" is not applicable to the company.
- (viii) The company has no accumulated losses as at 31st March 2015 and it has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanation given to us the company has not taken any loan from the financial institutions, banks or raised money against debentures. Accordingly provisions of clause 3 (ix) of "the Order" is not applicable to the company.
- (x) In our opinion and according to information and explanation given to us the company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xi) The Company has not taken any term loan during the year under audit, therefore clause 3(xi) of "the Order" is not applicable to the company.
- (xii) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For S.S.Kothari Mehta & Co.
Chartered Accountants
Firm Registration Number: 000756N

(Naveen Aggarwal)
Partner
Membership Number: 094380

Place: New Delhi
Date : 8th May, 2015

NTPC VIDYUT VYAPAR NIGAM LIMITED

Annexure B to the Independent Auditor's Report

Annexure referred to in our report of even date to the members of NTPC Vidyut Vyapar Nigam Limited on accounts for the year ended 31st March 2015.

S.N.	Directions/Sub-directions	Actions Taken	Impact on Financial Statement
1	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and liabilities (including Committed and General Reserves) may be examined including the mode and present stage of disinvestment process.	The Company has not been selected for disinvestment, therefore requirements under clause 1 of the directions are not applicable during the year.	Not Applicable
2	Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons therefor and the amount involved.	There was no waiver/write off of debts/loans/interest etc. by the company during the year, therefore requirements under clause 2 of the directions are not applicable during the year.	Not Applicable
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities?	During the year under audit no inventory of the company was lying with the third party and no asset has been received as gift from Govt. or other authorities, therefore requirements under clause 3 of the directions are not applicable during the year.	Not Applicable
4	A report on age-wise analysis of pending legal/arbitration cases including the reasons of pendency and existence/effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.	The age-wise analysis of pending legal/arbitration cases obtained from the management is enclosed at Annexure-I. These cases are pending at different forum at different stages. The Company has a system for monitoring expenditure on legal cases (foreign and local) which in our view is effective.	Nil

Annexure I

Age-wise Analysis of Pending Legal/Arbitration Cases as at 31.03.2015

Name of Unit: NTPC Vidyut Vyapar Nigam Limited

Sl. No.	"Category of Case"	Case No.	Name Of Court	Name of Party	<1 Year	1-2 Years	2-3 Years	>3 Years
1	Other	WP No. 2027/2010	HC of Delhi	R.S.India Solar Energy Pvt Ltd.				√
2	Other	WP No. 3340/2011	HC of AP at Hyderabad	"M/s Surya Chakra Power Venture (P) Ltd. "				√
3	Other	WP No. 2618/2011	HC of Delhi	M/s Bhaskar Green Pvt. Ltd.				√
4	Other	WP No. 2658/2011	"HC of Chhattisgarh at Bilaspur"	"M/s South Asian Agro Industries Ltd."				√
5	Arbitration		Before Arbitral Tribunal	Coastal Projects Ltd			√	
6	Other	OMP No. 394/2012	HC of Delhi	"M/s Greentech Power Pvt Ltd. "			√	
7	Other		Before Arbitral Tribunal	M/s Precision Ltd.			√	
8	Other		Arbitral Tribunal	"M/s DDE Renewable Energy Pvt. Ltd."		√		
9	Other		Arbitral Tribunal	M/s Newton Solar Power Pvt Ltd.		√		
10	Other		Arbitral Tribunal	M/s Oswal Woollen Mills Ltd.	√			
11	Other		Arbitral Tribunal	M/s ACME Power Ltd.	√			
12	Other		Arbitral Tribunal	M/s Sai Sudhir Energy Ltd.		√		
13	Other		Arbitral Tribunal	M/s Essel Mp Energy Ltd.		√		
14	Other		Before Arbitral Tribunal	M/s Enfield Infrastructure Ltd.	√			
15	Other		Arbitral Tribunal	M/s Sunborn Energy Ltd.	√			
16	Other		Before Arbitral Tribunal	M/s Symphony Vyapar Pvt. Ltd	√			

NTPC VIDYUT VYAPAR NIGAM LIMITED

Sl. No.	"Category of Case"	Case No.	Name Of Court	Name of Party	<1 Year	1-2 Years	2-3 Years	>3 Years
17	Other		Before Arbitral Tribunal	M/s Lexicon Vanijya Pvt Ltd.	√			
18	Other		"Before Secretary (LAW) Under PMA"	M/s NVVN Ltd Vs India Oil Corporation	√			
19	Other		CERC	"1.M/s Dewakar Solar Energy,2.M/s Rajasthan Sun Technik (two petitions), 3.M/s MEIL Green,4.M/s Godavari Solar Power,5.M/s Aurum Renewable,6.M/s Coporate Ispat,7.M/s KVVK Energy "			√	
20	Other		HC of AP at Hyderabad	M/s Sujana Towers Ltd.		√		
21	Other		Arbitral Tribunal	M/s CCCL Infrastructure Ltd.	√			
22	Other	WP No. 874/2011	HC of Calcutta	M/s Birla Corporation Ltd.				√
23	Other	Suit No. 49/2014	"Deputy Commissioner District Khliehriat, East Jantia Hills"	M/s Cement Manufacturing Co. Ltd	√			
24	Other	Suit No. 51/2014	"Deputy Commissioner District Khliehriat, East Jantia Hills"	M/s Megha Technical & Engineers Pvt. Ltd.	√			
25	Other	Appeal No. 51/2015	"Appellate Tribunal of Electricity"	M/s Essar Power MP Ltd	√			
26	Other	Appeal No. 81/2015	"Appellate Tribunal of Electricity"	M/s KSK Mahanadi Power Co. Ltd.	√			

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INIDA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NTPC VIDYUT VYAPAR NIGAM LIMITED FOR THE YEAR ENDED 31 MARCH, 2015

The preparation of financial statements of NTPC Vidyut Vyapar Nigam Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the Standards on Auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 8 May, 2015.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of NTPC Vidyut Vyapar Nigam Limited for the year ended 31 March 2015 and as such have no comments to make under section 143 (6) (b) of the Act.

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

(Tanuja S. Mittal)
Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board - III, New Delhi

Place : New Delhi
Dated : 30 June, 2015

KANTI BIJLEE UTPADAN NIGAM LTD.

KANTI BIJLEE UTPADAN NIGAM LIMITED DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting Ninth Annual Report on the working of the Company together with Audited Financial Statements for year ended on 31st March 2015.

PERFORMANCE OF THE COMPANY

Pursuant to Memorandum of Agreement dated 26.12.2005 between NTPC, Government of Bihar and Bihar State Electricity Board for reviving and operating Stage-I (2x110 MW), your Company was entrusted with the work of renovating and modernizing (R&M) of existing 2x110 MW units of Muzaffarpur Thermal Power Plant (MTPP).

After completion of R&M of both the units of 110 MW of Stage-1, first unit is under commercial operation since 01.11.2013 and the second unit since 15.11.2014. Stage#1 achieved the highest PLF of 101.92% on 08.01.2015 since its installation in 1985-86. The monthly highest PLF was in March 2015.

Coal linkage for Stage-I was enhanced from 5.0 Lac MT to 11.60 lac MT/ year by the Ministry of Coal.

Out of total 2,89,689 MT ash generated from Unit#1 during the period under review, 55,000 m³ ash has been utilised for civil construction activities.

Your Company is also implementing expansion of MTPP by adding 2x195 MW units in the available land. First unit of Stage#2 was synchronized on 31.03.2015. Construction activities are going on in full swing in Unit#4 of Stage #2.

To take care of environmental norms, your Company is carrying out ambient air quality monitoring, analysis of drinking water and effluent water was done on monthly basis at plant and township area to keep check on emission of pollutants in the air and to maintain the quality of the air and water around the project. Stack monitoring of Unit # 1 is being done regularly w.e.f. Aug'13.

Your Company organized environmental awareness program amongst employees and people in and around plant. World Environment Day was celebrated on 05.06.2014. On this day, 50 plants were planted; employees and other people took environment walk, took oath for polythene free environment and distributed eco-friendly carry bags to avoid use of polythene bags.

FINANCIAL REVIEW

The financial highlights of the Company for the year ended on 31st March 2015 are as under:-

(Amount in ₹)

Balance Sheet Items as at	31.03.2015	31.03.2014
Paid-up Share Capital	10,00,00,00,000	7,276,942,050
Reserves and Surplus	3,60,42,30,324	3,485,323,618
Share Capital Deposit Pending Allotment	-	714,620,938
Non-current liabilities	19,76,45,95,250	16,39,38,48,768
Current liabilities	4,90,98,68,272	3,24,70,04,653
Non-current assets	35,19,90,35,549	30,00,94,14,562
Current assets	3,07,96,58,297	1,10,83,25,465
Items from Statement of Profit and Loss for the year ended	31.03.2015	31.03.2014
Total Revenue	4,60,45,25,574	1,621,508,496
Total Expenses	4,15,30,05,363	1,628,119,792
Profit/ (Loss) before Tax	45,15,20,211	(6,611,296)
Total Tax Expenses	27,90,72,533	(1,199,206)
Profit/ (Loss) for the year	17,24,47,678	(5,412,090)

INFORMATION PURSUANT TO STATUTORY AND OTHER REQUIREMENTS

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

(1) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING & OUTGO

(i) Conservation of Energy

Following activities were carried out & steps have been taken in the area of "Energy Conservation" which had an impact on Energy Consumption levels in the Plant:

- Procurement of thermo-vision camera: It was instrumental in carrying out "Insulation Audit" of the plant, helped in finding areas with low effective insulation and based on which areas were identified where insulation shall be repaired /replaced.
- Capability test of Cooling Tower: capability test of the cooling tower was carried out through CENPEEP.
- "APC audit" of the station through National Productivity Council.
- Three nos. Conventional Reciprocating Compressors has been replaced with energy efficient screw compressors.

Cost of procurement of thermo vision camera- Rs 4.50 Lakhs

(ii) Technological Absorption- Nil

During the period under review, there was no earning in the foreign exchange. The outgo in foreign exchange was INR 3,74,877 (USD 1,800 and Singapore Dollar 5,560).

(2) Information on Number of Meetings of the Board held during the year:

During the year, six Meetings of the Board were held on 28.04.2014, 09.07.2014, 09.09.2014, 20.10.2014, 10.12.2014 and 27.03.2015. The attendance of Directors in these Meetings are as under:

Date of the Meeting/ Name of the Director	28.04.2014	09.07.2014	09.09.2014	20.10.2014	10.12.2014	27.03.2015
Dr. Arup Roy Choudhury, Chairman	Yes	Yes	Yes	Yes	Yes	Yes
Shri U.P. Pani, Director	Yes	Yes	Yes	Yes	No	Yes
Shri Sandeep Poundrik, Director	Yes	NA	NA	NA	NA	NA
Shri P. Amrit, Director	NA	Yes	Yes	Yes	Yes	Yes
Shri S. Roy, Director	Yes	Yes	Yes	Yes	NA	NA
Shri G.K. Sadhu, Director	Yes	NA	NA	NA	NA	NA
Shri J. Srivastav, Director	Yes	No	No	No	No	NA
Shri K.S. Garbyal, Director	NA	NA	NA	NA	Yes	No
Shri Manish Kumar Verma, Director	NA	NA	NA	NA	NA	No
Ms. Sangeeta Bhatia, Director	NA	Yes	Yes	Yes	Yes	Yes

NA indicates that the Director was not inducted or has ceased on the Board of the Company.

(3) Audit Committee

The Audit Committee of the Company comprises Shri U.P. Pani, Shri P. Amrit, Shri K.S. Garbyal, Shri Manish Kumar Verma and Ms. Sangeeta Bhatia, Directors.

During the year, four Meetings of the Committee were held on 28.04.2014, 09.07.2014, 09.09.2014 and 10.12.2014. The attendance of Directors in these Meetings are as under:

Date of the Meeting/ Name of Director	28.04.2014	09.07.2014	09.09.2014	10.12.2014
Shri U.P. Pani	Yes	Yes	Yes	No
Shri Sandeep Poundrik	Yes	NA	NA	NA
Shri P. Amrit	NA	Yes	Yes	Yes
Shri S. Roy	Yes	Yes	Yes	NA
Shri G.K. Sadhu	Yes	NA	NA	NA
Shri J. Srivastav	Yes	No	No	No
Shri K.S. Garbyal	NA	NA	NA	Yes
Ms. Sangeeta Bhatia	NA	Yes	Yes	Yes

NA indicates that the Director was not inducted or has ceased on the Board of the Company.

(4) Corporate Social Responsibility

Your Company constituted the Corporate Social Responsibility Committee of the Board on 10.12.2014 comprising Dr. Arup Roy Choudhury as Chairman and Shri P. Amrit, Shri U.P. Pani and Shri Manish Kumar Verma, Directors as Members of the Committee. During the year, one Meeting of the Committee was held on 27.03.2015, which was attended by all the Members except Shri Manish Kumar Verma.

The Company has formulated a Policy on CSR and shall take the activities through NTPC Limited (its Holding Company).

The average Net Profit/ (Loss) of the Company made during the three immediately preceding financial years 2014-15 worked out to ₹ (2,35,74,586) and as such no amount is required to be spent on CSR during the financial year 2014-15.

(5) During the year the Company undertook the activities under Resettlement & Rehabilitation Plan as a responsible corporate citizen in and around plant:

- (i) Distribution of 1500 school bags – Total Cost Rs. 7 lac
- (ii) Distribution of 500 blankets – Total Cost Rs. 2.5 lac
- (iii) Distribution of 12 Tricycle – Total Cost Rs. 84,000/-

(6) Statutory Auditors

The Comptroller & Auditor General of India through letter dated 31.07.2014 had appointed M/s B.B. Mathur & Co., Chartered Accountants as Statutory Auditors of the Company for the financial year 2014-15. The Statutory Auditors of the Company for the financial year 2015-16 are yet to be appointed by the Comptroller & Auditor General of India.

(7) Management comments on Statutory Auditors' Report

The Statutory Auditors of the Company have given an unqualified report on the accounts of the Company for the financial year 2014-15.

(8) Comments of the Comptroller & Auditor General of India and Management Replies thereto

The comments of the Comptroller and Auditor General of India for the year 2014-15 and Management Replies thereto forms part of this Annual Report and placed elsewhere in the Report.

(9) COST AUDIT

As prescribed under the Companies (Cost Records and Audit) Rules, 2014, the Cost Accounting records are being maintained by the Company. M/s V.P. Gupta & Co., Cost Accountants, had been appointed as Cost Auditors under Section 148(3) of the Companies Act, 2013 for the financial year 2014-15.

The due date for filing Cost Audit Report in XBRL format for the financial year ended March 31, 2014 was September 27, 2014 and the consolidated Cost Audit Report for your Company was filed with the Central Government on 22.09.2014.

The Cost Audit Report for the financial year ended March 31, 2015 shall be filed within the prescribed time period under the Companies (Cost Records & Audit) Rules, 2014.

(10) Your Company, being subsidiary of NTPC, is covered under the Enterprise Risk Framework established by NTPC (Holding Co.). Details about risks with the Company are covered in the Management Discussion & Analysis Report which forms part of this Report and placed at Annex-I.
(11) Extract of Annual Return

Extract of Annual Return of the Company is annexed herewith as Annex- II to this Report.

(12) Performance Evaluation of the Directors and the Board

As required under the Companies Act, 2013, evaluation of performance of directors including that of the Independent Directors/ Board/ Committees is to be carried out either by the Board or by the Nomination and Remuneration Committee or by the Independent Directors.

In this regard, the Ministry of Corporate Affairs, through Notification dated 05.06.2015, has exempted the Government Companies from these provisions. As per the Articles of Association of KBUNL, all the Directors are nominated by NTPC and Bihar State Power Generation Company Limited (earlier BSEB). The Directors nominated by NTPC or BSPGCL are being evaluated under a well laid down procedure for evaluation of Functional Directors & CMD as well as of Government Directors by Administrative/respective Ministry. Also, the performance of the Board of the Government Companies is evaluated during the performance evaluation of the MOU signed with the Government of India.

(13) Secretarial Audit

The Board has appointed M/s Agarwal S. & Associates, Company Secretaries, to conduct Secretarial Audit for the financial year 2014-15.

The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as Annex- III to this Report.

The Managements' Replies on Secretarial Audit Report are as under:

Observations	Management's Replies
During the financial year, the composition of the Board and Committees of the Board should be in compliance with the provisions of Section 149 of the Companies Act, 2013 with respect to appointment of Independent Directors.	Kanti Bijlee Utpadan Nigam Limited (KBUNL) is a subsidiary of NTPC Limited, a Government Company, as such, KBUNL is a Government Company. Its Independent Directors shall be appointed by the Department of Public Enterprises. As per the Articles of Association of KBUNL, all the Directors are nominated by NTPC and Bihar State Power Generation Company Limited (earlier BSEB). As such, NTPC (Holding Company) has requested the Department of Public Enterprises to allow NTPC and BSPGCL to nominate Independent Directors on the Board of KBUNL.

(14) Particulars of contracts or arrangements with related parties

During the period under review, the Company had not entered into any contract or arrangement with related parties.

Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

(15) Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future: NIL. Status of pending court cases/ arbitration cases as on 31.03.2015 are annexed with the Statutory Auditors' Report on the Financial Statements for the FY 2014-15.
(16) Adequacy of internal financial controls with reference to the financial statements: The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.
(17) Procurement from MSEs

The Government of India has notified a Public Procurement Policy for Micro and Small Enterprises (MSEs), Order 2012. In terms of the said policy, the total procurement made from MSEs (including MSEs owned by SC/ST entrepreneurs) during the year 2014-15 was ₹ 1,41,83,000/- (Rupees One Crore Forty One Lac Eighty Three Thousand Only).

(18) Particulars of Employees

As per provisions of Section 197(12) of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every company is required to include a statement in the Board's Report giving details of remuneration received by the employee was in aggregate Rs. 60 lac or more, if employed throughout the year and details of remuneration received by the employee was in aggregate Rs. 5 lac or more, if employed for part of the year.

However, as per notification dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government Companies are exempted from complying with provisions of Section 197 of the Companies Act, 2013. Therefore, such particulars have not been included as part of Directors' Report.

(19) Issue of Shares in the Financial Year:

During the year under review, the Company issued shares to NTPC and Bihar State Power Generation Company Limited. The details are as under:

Date of Allotment/ Name of Allottee	09.07.2014	20.10.2014	27.03.2015
NTPC Limited	8,06,41,028 shares of ₹ 10/- each at par with existing equity holders	2,66,98,973 shares of ₹ 10/- each at par with existing equity holders	6,96,58,766 shares of ₹ 10/- each at par with existing equity holders
Bihar State Power Generation Company Limited	4,34,22,092 shares of ₹ 10/- each at par with existing equity holders	1,43,76,370 shares of ₹ 10/- each at par with existing equity holders	3,75,08,566 shares of ₹ 10/- each at par with existing equity holders

KANTI BIJLEE UTPADAN NIGAM LTD.

- (20) No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:
1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
 2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- (21) Establishment of vigil mechanism/ whistle blower policy:
Your Company has established Whistle Blower Policy as required under Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014.
- (22) The Company has not granted any loans, given any guarantee or made any investments under Section 186 of the Companies Act, 2013 during the year.
- (23) The Company has not accepted any deposits during the year.
- (24) The Company has no subsidiary or joint venture.
- (25) No Presidential Directive was issued by the Government during the year under review.
- (26) The Company has not declared any dividend during the year.
- (27) Provision of Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable.

DIRECTORS' RESPONSIBILITY STATEMENT

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

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2014-15 and of the profit of the company for that period;
3. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. the Directors had prepared the Annual Accounts on a going concern basis; and
5. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD OF DIRECTORS

During the year, Shri G.K. Sadhu and Shri S. Roy ceased to be the Director of the Company with effect from 29.04.2014 and 07.11.2014 respectively consequent

upon withdrawal of their nomination from NTPC. Shri Sandeep Poundrik and Shri J. Srivastav ceased to be the Director of the Company with effect from 07.06.2014 and 09.12.2014 respectively consequent upon withdrawal of their nomination from Bihar State Power Generation Company Limited.

Smt Sangeeta Bhatia, General Manager, NTPC was nominated as Director by NTPC. The Board appointed her as the Director of the Company w.e.f. 09.07.2014.

BSPGCL had nominated Shri P. Amrit, CMD, BSPHCL as the Director of the Company. The Board appointed him as the Director of the Company w.e.f. 09.07.2014.

NTPC nominated Shri K.S. Garbyal, Regional Executive Director, NTPC as Director of the Company. The Board appointed him as the Director of the Company w.e.f. 10.12.2014.

BSPGCL had nominated Shri Manish Kumar Verma, MD, BSPHCL as the Director of the Company. The Board appointed him as the Director of the Company w.e.f. 27.03.2015.

The Board wishes to place on record its deep appreciation for the valuable services rendered by Shri G.K. Sadhu, Shri Sandeep Poundrik, Shri S. Roy and Shri J. Srivastav during their association with the Company.

As per the provisions of the Companies Act, 2013, Shri U.P. Pani, Director shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

ACKNOWLEDGEMENT

Your Directors acknowledge, with deep sense of appreciation, the co-operation extended by Ministry of Power/ Government of India, Government of Bihar, Bihar State Power Generation Company Limited (erstwhile Bihar State Electricity Board), Planning Commission, Central Electricity Regulatory Commission, Ministry of Environment, Forests & Climate Change and Airports Authority of India.

Your Directors also convey their gratitude to the Holding Company i.e. NTPC Ltd., Auditors, Bankers, Contractors, Vendors and Consultants of the Company. We wish to place on record our appreciation for the untiring efforts and contributions by the employees at all levels to ensure that the Company continues to grow and excel.

For and on behalf of the Board of Directors

(Dr. Arup Roy Choudhury)
Chairman

Place: New Delhi

Dated: 22nd July, 2015

Annex-1 to the Directors' Report MANAGEMENT DISCUSSION AND ANALYSIS

RE - eNERGISING THE POWER SECTOR

It has been a tumultuous year for power sector marked by several ups and downs. The cancellation of 204 coal blocks due to Hon'ble Supreme Court's decision followed by an aggressive e-auction of the coal mines, a new scheme of reverse e-auction of gas for revival of stranded and partly - stranded gas power plants, Government of India (GoI) in RE - Invest 2015 gave a push to the world's largest renewable capacity expansion program being run in India. These measures coupled with reforms in the loss-laden electricity distribution sector, have been aimed to re-energise the sector, however, the road that lies ahead of us is dotted with innumerable challenges.

GROWTH ALONG THE POWER VALUE CHAIN

The GoI has accelerated measures to resolve the issues confronting the sector. Some of the highlights of the year are as under:

- Highest coal production growth in 23 years - 8.3%
- Highest ever Capacity Addition ~22.57 GW (excluding RES*)
- Highest ever increase in transmission lines & sub station capacity (22,101 ckm and 65,554 MVA respectively)
- ₹1.09 lakh crore investment in sub-transmission and distribution through DDUGJY and IPDS
- Per Capita Consumption crosses 1000 units**; Lowest ever energy deficit - 3.6%

*Renewable Energy Sources; Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY); Integrated Power Development Scheme (IPDS); ** Provisional. (Source : Ministry of Power (MoP); Central Electricity Authority.

Power Industry:

Capacity and Generation

The addition to total installed capacity during financial year 2014-15 was ~26464 MW (including RES), a growth of 10.8% over previous year installed capacity. The capacity addition excluding RES 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 (Source : CEA , MoP).

Segmentation of Generation and Capacity

Installed Capacity (MW)				
Ownership	11 th Plan end	% Mix	31.03.2015	% Mix
State	85918.65	43	95078.84	35
Private*	54275.75	27	104122.17	38
Central	59682.63	30	72521.16	27
Total	199877.03	100	271722.17	100

*excluding captive capacity; (Source: CEA)

Electricity generation has crossed 1 trillion units and registers a growth of 8.4%, the highest is 20 years. (Source : CEA , MoP)

Generation (BUs)						
Fuel	2014-15	% Mix	Centre	State	Private	Bhutan
Thermal	878.32	84	308.05	299.26	271.01	-
Nuclear	36.10	3	36.10	-	-	-
Hydro	129.24	12	50.96	67.54	10.74	-
Bhutan import	5.01	1	-	-	-	5.01
Total	1048.67	100	395.11	366.80	281.75	5.01
% Mix (sector wise)			38	35	27	0

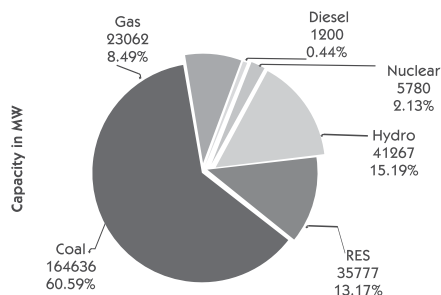
(Source : CEA, MOP)

While private sector has almost doubled the capacity in 3 years and increased its share to 38%, however, it has the least share of 27% in actual generation. The all India Plant Load Factor (PLF) of thermal capacity for financial year 2014-15 has dropped to 64.46% from 65.56% in financial year 2013-14. (Source : CEA). The expected rise in demand due to industrial and GDP growth are likely to improve PLFs.

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.

Fuel

Coal is the mainstay of power sector in India. The fuel mix of installed capacity as on 31.03.2015 is charted below:



(Source: CEA);
RES (Ministry of New and Renewable Energy (MNRE))

Demand, Supply and Consumption Position

The energy requirement registered a growth of 6.5% and peak demand grew at 9.0% during the financial year 2014-15. The energy and peak deficit during financial year 2014-15 was 3.6% and 4.7% and is likely to go further down to 2.1% and 2.6% respectively, despite very high shortages likely to be experienced by southern region (Source : Load Generation and Balance Report 2015-16). The demand is believed to be suppressed due to poor financial health of discoms who find supplying power at existing tariffs unviable.

The energy requirement will go up once the latent demand is unlocked. Industrial consumption is the maximum and most remunerative in India, growth in industrial activity will fuel power demand in the country. Further, still large population to the tune of ~28 crore are without access to power. The per capita consumption of power in India still remains abysmal at 1010 units (provisional) for financial year 2014-15. GoI has also set a target to provide 24x7 Power for all by 2019 (Source : CEA; MoP). Given the above scenario the long term outlook for power demand remains strong.

The power supply position in Eastern Region and Bihar during 2014-15 and anticipated power supply position in Eastern Region and Bihar during 2015-16 is as under:

Particulars	Year 2014-15			Year 2015-16 (Anticipated)		
	Req (MU)	Avail (MU)	Surplus/ (Deficit)	Req (MU)	Avail (MU)	Surplus/ (Deficit)
Energy Requirement						
Eastern Region	1,19,082	1,17,155	(1,927 MUs) (1.6%)	1,24,610	1,27,066	2,455 MUs (2.0%)
Bihar	19,294	18,759	(535 MUs) (2.8%)	19,215	18,318	(897 MUs) (4.7%)
Peak Requirement						
Eastern Region	17,040	16,932	(108 MUs) (0.6%)	18,507	19,358	851 MUs (4.6%)
Bihar	2,994	2,874	(120 MUs) (4.0%)	3,250	2,543	(707 MUs) (21.8%)

(Source: CEA)

From the above, it is evident that there have been energy and peak shortages in the Eastern Region as well as in Bihar during the year 2014-15. In the year 2015-16, though sufficient energy is available in the Eastern Region, energy and peak shortages still remains in Bihar.

SWOT ANALYSIS

Strength/ Opportunity:

In the scenario of high demand versus low supply of power, implementing the Company's project is justified. It has full support of NTPC, the promoter and major stake holder. The holding Company, i.e. NTPC Limited is providing engineering and management expertise from planning to commission and operating power plant.

The other promoter i.e. Bihar State Power Generation Company Limited (erstwhile Bihar State Electricity Board) is also the beneficiary of the Company. Unit#1 and Unit#2 of 110 MW each of Stage-I have been declared commercial. Unit#3 of Stage#2 has been synchronised on 31.03.2015 and construction of Unit#4 of Stage#2 is in full swing.

For Stage#1, Power Purchase Agreement for entire power exists with transmission companies of Bihar State Power Holding Company Limited. For Stage#2, Power Purchase Agreement has been signed with transmission companies of Bihar State Power Holding Company Limited for about 66.85% of power and balance has been signed with the Gridco, DVC, Jharkhand State Electricity Board and West Bengal State Electricity Board.

Weakness/ Threats:

The beneficiary i.e. South Bihar Transmission Co. Ltd. has overdue payment towards energy bills raised by the Company and thus the working capital is required to be channelized from other sources.

Delayed payment of Energy Bills from Beneficiaries causes stoppage of coal supply which results into shutting down of operating units.

RISK AND CONCERN

The risks to which company is exposed and the initiatives taken by the company to mitigate such risks are given below:

Hazard risks are related to natural hazards arising out of accidents and natural calamities like fire, earthquake or cyclone, floods etc.

Risk associated with protection of environment, safety of operations and health of people at work is monitored regularly with reference to statutory regulations prescribed by the govt. authorities and company is formulating its own guidelines in this regard. Risk arising out of accidents, fire etc is protected through insurance policies and limited through contractual agreements wherever possible.

Financial Risks:

As per the guidelines issued by Reserve Bank of India, the Company has to declare its both the units under Stage#2 commercial by Feb 2016 so that the account of the Company remains standard in the Books of Lenders.

The outstanding dues from the beneficiaries on account of Energy Bill stood ₹ 209.67 crores as on 16.7.2015. The dues beyond 60 days stood at ₹ 109.70 crores & ₹ 58.88 crores beyond 30 days but less than 60 days. As such, during the Financial Year 2014-15, the Company paid compensation to Eastern Coalfields Limited for non-lifting of coal as per annual contracted quantity.

Operational Risks:

The Company has yet to award Coal Handling Package for Stage-2.

Water linkage and /quantity:

At present water requirement is being met through under-ground water with running of Deep Tube Well. CWC has given their consent for 45 Cusecs of water on 19.02.2010 from river Burhi Gandak (15 Cusecs for Stage-I and 30 Cusecs for Stage-II). Water Resources Department, GoB has made their commitment of 45 Cusecs of water from Burhi Gandak. Readiness of Make-up water system and availability of cooling water both for Stage -I and Stage -II is required for uninterrupted operation of the plant.

Risk: Land Acquisition for completion of make up water system has not yet completed, possession of portion of land for pipe line laying not yet handed over by District Authorities. Non- Completion of makeup water system may affect the operation of Stage-II units. However, alternate arrangement of water from Canal is being pursued with Irrigation Deptt. Govt.of Bihar.

Ash Disposal System Stage -I & II:

Ash Dyke Stage-I -New Ash dyke (Lagoon -II) alongwith AWRS (Ash Water Recirculation System) to be constructed as per directive of CPCB.The work has not been awarded yet. A bank guarantee has been submitted to Bihar State Pollution Control Board in compliance of CPCB directive.

Risk-A program for construction of Ash Dyke (Lagoon -III) & AWRS has been submitted , Revised time line is to be submitted again for consideration of CPCB. CPCB may give any direction as per EP Act.

KANTI BIJLEE UTPADAN NIGAM LTD.

Ash Dyke for stage – II is to be completed for disposal of Ash generated as a result of stage – II generation after COD. Contract has been awarded & work is progressing.

Risk: Land Acquisition for completion of Ash Disposal system not yet completed. Possession of portion of land for pipe line laying not yet handed over by District Authorities, this may hamper ash disposal in ash dyke. However, it has been planned to dump Ash in Stage-I for the time being as contingency measure, till ash dyke Stage-II is constructed.

The policies and process framework of the company supported by the proactive approach of management mitigate operational risks to great extent.

INTERNAL CONTROL

The Company has robust internal systems and processes for efficient conduct of business. The Company is complying with relevant laws and regulations. It is following delegation of powers as is being followed in NTPC Limited. The accounts are being prepared in accordance with the Accounting Standards issued by Institute of Chartered Accountants of India from time to time and as per the guidelines issued from NTPC Limited. The Company has implemented SAP in all modules. It is helping the Company a lot in retrieving data and maintaining systematic backup.

In order to ensure that all checks and balances are in place and all internal systems are in order, regular and exhaustive internal audits are conducted by experienced firm of Chartered Accountants in coordination with Internal Audit Department of NTPC Limited. The Company has constituted an Audit Committee to oversee the financial performance of the company. The scope of this Committee includes compliance with Internal Control Systems.

FINANCIAL DISCUSSION AND ANALYSIS

Unit #2 of Stage I of the plant was declared commercial on 15.11.2014. An amount of ₹ 184.85 crore had been capitalized in Plant & Machinery, Buildings etc. Life of plant and machinery of Unit#2 has been taken as 15 years in line with technical assessment and in accordance with renovated life of Unit#1.

Unit#3 of Stage-II has been synchronized on 31.03.2015. The construction activities of Unit#4 of Stage-II are in progress and the details of progress are given in Directors' Report.

During the financial year 2014-15, 17,69,98,767 shares were issued to NTPC and 9,53,07,028 shares were issued to Bihar State Power Generation Company Limited (BSPGCL) (erstwhile BSEB). The equity share capital of the Company has reached ₹ 1,000 crore, which is in the ratio of 65:35 between NTPC and BSPGCL at the end of financial year 2014-15. The Company has decided to enhance the authorized share capital of the Company from ₹ 1000 crore to ₹ 1400 crore subject to the approval of shareholders.

The grants received from Backward Region Grants Fund (Rashtriya Sam Vikas Yojna) was credited to capital reserve account initially and the same was treated as income in the same proportion as the depreciation written off on the assets acquired out of grants. The grants received during the year was ₹ 20 crore. Grant of ₹ 25.34 crore has been recognised as income during the year.

Your Company has drawn secured term loan of ₹ 189,34,81,434 from consortium led by State Bank of India till 31.03.2015 for Stage-II (2X195 MW) expansion project. The unsecured loan from the Holding Company stood at ₹ 2,57,14,282 at the end of the financial year. Your company has made no defaults in repayment of any of the loans or interest thereon as at the end of the year.

The net tangible assets as at 31.03.2015 were ₹ 6,73,00,73,761 as compared to ₹ 5,12,99,58,748 as at 31.03.2014. The net intangible assets as at 31.03.2015 were ₹ 2,48,709 as compared to ₹ 64,977 as at 31.03.2014. The capital work-in-progress was ₹ 27,65,66,93,350 as at 31.03.2015 as compared to ₹ 23,71,26,01,417 as at 31.03.2014. The current assets stood at ₹ 3,07,97,12,298 as at 31.03.2015, while the current assets as at 31.03.2014 were ₹ 1,10,83,25,465.

Borrowing costs attributable to the fixed assets during construction, renovation and modernisation have been capitalised. Such borrowing costs have been 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. The borrowing costs capitalised during the year ended

31.03.2015 amounted to ₹ 2,15,71,63,016 (Previous year ₹ 1,63,67,05,592).

The generation from Unit#1 was 687.20 MUs and Unit#2 was 187.93 MUs. Commercial operation of Unit#1 had commenced from 01.11.2013 and for Unit#2 from 15.11.2014. For Unit#1, provisional tariff order was given by the Central Electricity Regulatory Authority w.e.f. 01.11.2013. Tariff petition for both the units has been filed with CERC.

Billing of Unit#1 was done as per the provisional tariff order until Nov 2014. From Nov 2014 onwards, beneficiaries are billed by taking 85% of fixed charges filed in the petition for tariff orders with CERC.

The revenue from operations amounting to ₹ 4,59,98,05,637 during the financial year including energy sales, energy internally consumed and capital grants recognised as income during the year. The other income of ₹ 47,19,937 included interest from banks, income from sale of scrap and other receipts from contractors/ suppliers. The expenses were ₹ 4,15,30,05,363, which included expenditure towards fuel, employee benefit expenses, finance cost, depreciation & amortisation expenses, generation & administration expenses and prior period expenses. The deferred tax amounted to ₹ 27,90,72,533. The profit after tax for the year was ₹ 17,24,47,678 as against for the last year loss of ₹ 54,12,090.

HUMAN RESOURCE

Presently, the Company has total strength of 229 employees, out of which, 201 employees are deputed from the Holding Company i.e. NTPC Limited, 22 employees are deputed from BSPHCL and 6 employees are on the rolls of KBUNL. Out of the total strength, the company has employed 30 SC candidates, 9 ST candidates and 46 OBC candidates as a socially responsible and conscious organisation.

The Company is paying adequate perks and also making employees part of profit sharing by giving Profit Related Payment. They are being imparted training / participated in seminar for their professional up gradation from time to time as an endeavour of your company to become a learning organisation. The Company had incurred ₹ 35,77,24,661 (previous year ₹ 30,53,46,746) - towards Salaries, Wages, Allowances, Benefits, Contribution to Provident and other Funds and welfare expenses. Out of ₹ 35,77,24,661, the amount transferred to Expenditure during Construction amounted to ₹ 12,70,98,113 and transferred to fuel cost amounted to ₹ 1,05,41,013.

During the year, the Company organised four meetings with the employees/ representatives & an open house with all executives to know their problems and to resolve the same to make the environment congenial.

Safe methods are practised in all areas of Operation & Maintenance and Construction & erection activities for the protection of workers against injury and diseases. Occupational safety at workplace is given utmost importance.

OUTLOOK

The company's outlook is very bright. It is generating revenue for growth and development of the company after becoming operational. It is also boosting employment opportunities to the local inhabitants.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis, describing objectives, projections and estimates, are forward-looking statements and progressive, within the meaning of applicable security laws and regulations. Actual results may vary from those expressed or implied, depending upon economic condition, Government policies and other incidental/ related factors.

For and on behalf of Board of Directors

(Dr. Arup Roy Choudhury)
Chairman

Place: New Delhi
Dated: 22nd July, 2015

Form No. MGT-9
Extract of Annual Return
as on the financial year ended on March 31, 2015

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : U40102DL2006GOI153167
 ii) Registration Date : September 6, 2006
 iii) Name of the Company : Kanti Bijlee Utpadan Nigam Limited
 iv) Category / Sub-Category of the Company : Public Company / Government Company
 v) Address of the Registered office and contact details : NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110003
 Ph. No.: 011-2436 0071, Fax No.: 011-24360241, E-mail: ruchimittal@ntpc.co.in
 vi) Whether listed company Yes / No : No
 vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/Services	NIC code of the Product/service	% to total turnover of the Company
1	Generation of Electricity	35102	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S.No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
1	NTPC Limited Address: NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110003	L40101DL1975GOI007966	Holding	65%	2 (46) of the Companies Act, 2013

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF									
i) As Nominee of NTPC	-	300	300	0.00	-	300	300	0.00	-
As Nominee of Bihar State Power Generation Company Limited	-	300	300	0.00	-	300	100	0.00	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
(i) NTPC Limited	-	47,30,00,933	47,30,00,933	65%	-	64,99,99,700	64,99,99,700	65%	-
(ii) Bihar State Power Generation Company Limited	-	25,46,92,672	25,46,92,672	35%	-	34,99,99,700	34,99,99,700	35%	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	72,76,94,205	72,76,94,205	100%	-	1,00,00,00,000	1,00,00,00,000	100%	-
(2) Foreign									
a) NRIs- individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	-	72,76,94,205	72,76,94,205	100%	-	1,00,00,00,000	1,00,00,00,000	100%	-

KANTI BIJLEE UTPADAN NIGAM LTD.

Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/ FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	-	-	-	-	-	-	-	-	-
2. Non-institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	72,76,94,205	72,76,94,205	100%	-	1,00,00,00,000	1,00,00,00,000	100%	-

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	NTPC Limited	47,30,00,933	65%	-	64,99,99,700	65%	-	-
2.	Bihar State Power Generation Company Limited	25,46,92,672	35%	-	34,99,99,700	35%	-	-
3.	Nominees of NTPC	300	0.00	-	300	0.00	-	-
4.	Nominees of Bihar State Power Generation Company Limited	300	0.00	-	300	0.00	-	-

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

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	72,76,94,205	100%	72,76,94,205	100.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
(i)	Allotment made on 09.07.2014	12,40,63,120	100%	85,17,57,325	100.00
(ii)	Allotment made on 20.10.2014	4,10,75,343	100%	89,28,32,668	100.00
(iii)	Allotment made on 27.03.2015	10,71,67,332	100%	1,00,00,00,000	100.00
	At the End of the year	1,00,00,00,000	100%	1,00,00,00,000	100.00

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

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

(v) Shareholding of Directors and Key Managerial Personnel:

SI No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Dr. Arup Roy Choudhury Chairman & Nominee of NTPC				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus /sweat equity etc): Transfer from Shri N.N. Misra to Dr. Arup Roy Choudhury on 28.04.2014	100	0.00	100	0.00
	At the End of the year	100	0.00	100	0.00
2.	Shri P. Amrit Director & Nominee of BSPGCL				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus /sweat equity etc): Transfer from Shri Sandeep Poundrik to Shri P. Amrit on 09.07.2014	100	0.00	100	0.00
	At the End of the year	100	0.00	100	0.00
3.	Shri U.P. Pani Director & Nominee of NTPC				
	At the beginning of the year	100	0.00	100	0.00
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus /sweat equity etc):	Nil	0.00	Nil	0.00
	At the End of the year	100	0.00	100	0.00
4.	Shri Manish Kumar Verma Director & Nominee of BSPGCL				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus /sweat equity etc): Transfer from Shri J. Srivastav to Shri Manish Kumar Verma on 27.03.2015	200	0.00	200	0.00
	At the End of the year	200	0.00	200	0.00
5.	Ms. Sangeeta Bhatia Director & Nominee of NTPC				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus /sweat equity etc): Transfer from Shri G.K. Sadhu to Ms. Sangeeta Bhatia on 09.07.2014	100	0.00	100	0.00
	At the End of the year	100	0.00	100	0.00

V. INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrue but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	15,90,09,54,312.00	8,00,00,000.00	-	15,98,09,54,312.00
ii) Interest due but not paid	0.00	0.00	-	-
iii) Interest accrued but not due	0.00	0.00	-	-
Total (i + ii + iii)	15,90,09,54,312.00	8,00,00,000.00	-	15,98,09,54,312.00
Change in Indebtedness during the financial year				
• Addition	3,03,38,60,037.00	0.00	-	3,03,38,60,037.00
• Reduction	0.00	4,57,14,290.00	-	4,57,14,290.00
Net Change	3,03,38,60,037.00	(4,57,14,290.00)	-	2,98,81,45,747.00
Indebtedness at the end of the financial year				
i) Principal amount	18,93,48,14,349.00	3,42,85,710.00	-	18,96,91,00,059.00
ii) Interest due but not paid	0.00	0.00	-	-
iii) Interest accrued but not due	0.00	0.00	-	-
Total (i + ii + iii)	18,93,48,14,349.00	3,42,85,710.00	-	18,96,91,00,059.00

KANTI BIJLEE UTPADAN NIGAM LTD.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

*The Company has no MD/WTD/Manager

B. Remuneration to other directors**:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2.	Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B) = (1 + 2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	Not Applicable				

**The Company has no Independent Director. Non-Executive Directors get remuneration from their parent organisations.

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company secretary	CFO	Total
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	10,07,408.32	-	10,07,408.32
		-	44,968.13	-	44,968.13
		-	0.00	-	0.00
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	0.00	-	0.00
5.	Others, please specify	-	0.00	-	0.00
	Total	-	10,52,376.45	-	10,52,376.45

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on behalf of Board of Directors

Place: New Delhi
Dated : 22nd July, 2015

(Dr. Arup Roy Choudhury)
Chairman

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015**

{Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
The Members,

KANTI BIJLEE UTPADAN NIGAM LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kanti Bijlee Utpadan Nigam Limited (hereinafter called KBUNL/the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the KBUNL's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial period ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; - **Not Applicable**
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; - **Not Applicable**
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **Not Applicable**
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011; - **Not Applicable**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; - **Not Applicable**
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not Applicable**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - **Not Applicable**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not Applicable**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not Applicable** and
 - (i) Compliances/ processes/ systems under other applicable Laws to the Company are being verified on the basis of periodic certificate submitted to the Board of Directors of the Company.

I have also examined compliance with the applicable clauses of the following:

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India (**Not applicable for the Audit period**).
- (b) The Listing Agreement. - **Not Applicable**.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

During the financial year, the composition of the Board and Committees of the Board should be in compliance with the provisions of Section 149 of the Companies Act, 2013 with respect to appointment of Independent Directors.

I further report that the Board of Directors of the Company is not duly constituted due to non-appointment of Independent Directors on the Board of the Company. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

The Company was required to constitute Nomination and Remuneration committee in terms of Section 178 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014. However, the Company in its Board Meeting held on

KANTI BIJLEE UTPADAN NIGAM LTD.

09.07.2015 had constituted Nomination and Remuneration committee.

The Company was required to appoint CEO & CFO in terms of Section 203 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. However, the Company in its Board Meeting held on 09.07.2015 has re-designated its CEO and Head of Finance as CEO & CFO respectively.

Generally, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and Company is in process of reviewing & strengthening the same.

I further report that during the audit period, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws.

For Agarwal S. & Associates,
Company Secretaries,

(Sachin Agarwal)
FCS No. : 5774
C.P No. : 5910

Place: New Delhi

Date: July 13, 2015

This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

"Annexure A"

To,

The Members,

KANTI BIJLEE UTPADAN NIGAM LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Agarwal S. & Associates,
Company Secretaries,

(Sachin Agarwal)
FCS No. : 5774
C.P No. : 5910

Place: New Delhi

Date: July 13, 2015

KANTI BIJLEE UTPADAN NIGAM LTD.
**KANTI BIJLEE UTPADAN NIGAM LTD
BALANCE SHEET AS AT**

Amount in ₹

Particulars	Note	31.03.2015	31.03.2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	10,000,000,000	7,276,942,050
Reserves and surplus	3	3,604,230,324	3,485,323,618
Share application money pending allotment	4	-	714,620,938
Non-current liabilities			
Long-term borrowings	5	18,960,528,631	15,213,341,629
Deferred tax liabilities (net)	6	-	175,170,545
Other Long term liabilities	7	628,896,074	1,180,507,139
Current liabilities			
Short term borrowing	8	1,485,136,158	763,432,151
Trade payables	9	463,340,645	234,625,579
Other current liabilities	10	2,673,872,700	2,048,800,801
Short-term provisions	11	287,518,769	200,146,122
Total		38,278,693,846	31,117,740,027
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	12	6,730,073,761	5,129,958,748
Intangible assets	12	248,709	64,977
Capital work-in-progress	13	27,656,693,350	23,712,601,417
Long-term loans and advances	14	812,019,728	1,166,789,420
Current assets			
Inventories	15	281,817,992	207,113,147
Trade receivables	16	1,104,593,397	148,671,705
Cash and bank balances	17	582,840,819	240,127,342
Short-term loans and advances	18	552,993,766	126,571,043
Other current assets	19	557,412,324	385,842,228
Total		38,278,693,846	31,117,740,027
Significant accounting policies	1		

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

For and on behalf of the Board of Directors

(Ruchi Aggrawal) Company Secretary	(P. Amrit) Director	(Dr. Arup Roy Choudhury) Chairman
---------------------------------------	------------------------	--------------------------------------

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

For B.B. Mathur & Co.
Chartered Accountants
(Firm Regn. No.-000290N)
(Rajneesh Behari Mathur)
Partner
Mem No. 088034
Dated : 21st May, 2015

**KANTI BIJLEE UTPADAN NIGAM LTD
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED**

Amount in ₹

Particulars	Note	31.03.2015	31.03.2014
Revenue			
Revenue from operations(Gross)	20	4,599,805,637	1,614,884,282
Other income	21	4,719,937	6,624,214
Total Revenue		4,604,525,574	1,621,508,496
Expenses:			
Fuel		3,235,415,670	1,130,916,248
Employee benefits expense	22	220,085,535	98,037,500
Finance costs	23	109,304,155	40,661,924
Depreciation and amortization expense	12	309,109,164	244,366,973
Generation, administration & other expenses	24	279,069,829	114,137,147
Prior period items (Net)	25	21,010	-
Total expenses		4,153,005,363	1,628,119,792
Profit/(Loss) before tax		451,520,211	(6,611,296)
Tax expense:			
Current tax			
Current year		103,901,988	-
Deferred tax			
Current year		175,170,545	(1,199,206)
Total tax expense		279,072,533	(1,199,206)
Profit/(Loss) for the year		172,447,678	(5,412,090)
Expenditure during construction period (Net)	26		
Significant accounting policies	1		
Earning Per Equity share (Par value of ₹ 10/- each)			
Basic	32	0.21	(0.01)
Diluted		0.19	(0.01)

 The accompanying notes form an integral part of these financial statements.
There are no exceptional or extra ordinary items in the above periods

For and on behalf of the Board of Directors

(Ruchi Aggrawal) Company Secretary	(P. Amrit) Director	(Dr. Arup Roy Choudhury) Chairman
---------------------------------------	------------------------	--------------------------------------

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

For B.B. Mathur & Co.
Chartered Accountants
(Firm Regn. No.-000290N)

(Rajneesh Behari Mathur)
Partner
Mem No. 088034
Place : New Delhi
Dated : 21st May, 2015

KANTI BIJLEE UTPADAN NIGAM LTD.

KANTI BIJLEE UTPADAN NIGAM LTD CASH FLOW STATEMENT

	Amount in ₹	
FOR THE YEAR ENDED MARCH 31,	2015	2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax and after		
Prior Period Adjustments	451,520,211	(6,611,296)
Adjustment for:		
Depreciation/Amortisation	309,109,164	244,366,973
Grants adjustment as income	(253,540,972)	(154,882,864)
Provisions	17,318,399	9,706,908
Interest income	(300,489)	(4,734,555)
Interest charge	109,304,155	40,661,924
Guarantee fee & other finance charges	1,037,708	3,481,609
Operating Profit before Working Capital Changes	634,448,176	131,988,699
Adjustment for:		
Trade and other receivables	(955,921,692)	(85,883,784)
Inventories	(74,704,845)	22,927,479
Trade Payables & Other Liabilities	296,879,093	709,289,110
Loans & advances	(71,653,030)	473,004,621
Other Current Assets	(171,570,096)	(12,849,184)
Cash generated from operations	(342,522,394)	1,238,476,941
Income Tax/Advance Tax Paid	(11,232,534)	(1,000,000)
Net Cash from Operating Activities - A	(353,754,928)	1,237,476,941
B. CASH FLOW FROM INVESTING ACTIVITIES		
Fixed Capital Expenditure	(3,714,692,934)	(5,567,306,508)
Interest income	300,489	4,734,555
Net Cash Flow from Investing Activities - B	(3,714,392,445)	(5,562,571,953)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long term borrowing	4,468,891,009	4,526,562,188
Grants-in-aid received	200,000,000	(3,300,000)
Proceeds from Issue of Share Capital/Share Capital Deposit	2,008,437,012	1,610,785,281
Interest paid	(2,265,429,463)	(1,673,885,907)
Guarantee fee & other finance charges	(1,037,708)	(3,481,609)
Net Cash Flow from Financing Activities - C	4,410,860,850	4,456,679,953
Net increase/Decrease in cash and cash equivalents (A+B+C)	342,713,477	131,584,941
Cash and cash equivalents (Opening Balance)	240,127,342	108,542,401
Cash and cash equivalents (Closing Balance)	582,840,819	240,127,342

NOTES:

- Cash and cash equivalents consists of Cash in hand and balance with Banks. Cash and cash equivalent included in the cash flow statement comprise of following balance sheet amount as per note-17

Cash and cash equivalent	6,048,436	24,836,847
Deposits with banks	576,792,383	215,290,495
Cash and cash equivalent as per note-17	582,840,819	240,127,342
- Previous year's figures have been regrouped/rearranged wherever necessary.

This is the cash flow statement referred to in our report of even date
For and on behalf of the Board of Directors

(Ruchi Aggrawal) Company Secretary	(P.Amrit) Director	(Dr Arup Roy Choudhury) Chairman
---------------------------------------	-----------------------	-------------------------------------

This is the cash flow statement referred to in our report of even date

For B.B. Mathur & Co.
Chartered Accountants
(Firm Regn. No.-000290N)

(Rajneesh Behari Mathur)
Partner
Mem No. 088034

Place : New Delhi
Dated :21st May, 2015

KANTI BIJLEE UTPADAN NIGAM LIMITED

Notes to the Financial Statements for the year ended 31st March 2015

Note No. - 1 SIGNIFICANT ACCOUNTING POLICIES

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 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

Grants-in-aid received from the Central Government or other authorities towards capital expenditure 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.

D. FIXED ASSETS

- Tangible assets are carried at historical cost less accumulated depreciation/amortisation.
- 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.
- Intangible assets are stated at their cost of acquisition less accumulated amortisation.
- Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.
- In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalisation is done on provisional basis subject to necessary adjustment in the year of final settlement.
- Assets and systems common to more than one generating unit are capitalised on the basis of engineering estimates/assessments.

E. CAPITAL WORK-IN-PROGRESS

- 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.
- Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.
- Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

F. FOREIGN CURRENCY TRANSACTIONS

- Foreign currency transactions are initially recorded at the rates of exchange ruling at the date of transaction.
- 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.
- Foreign exchange differences arising from settlement / translation of long term foreign currency monetary items are adjusted in the carrying cost of related assets.
- Other exchange differences are recognized as income or expense in the period in which they arise.

G. 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.

H. INVENTORIES

- Inventories are valued at the lower of, cost determined on weighted

average basis and Net realisable value.

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

I. INCOME RECOGNITION

- 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 the tariff rates are yet to be approved, provisional rates are adopted.
- The surcharge on late payment/overdue sundry debtors for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.
- Interest/surcharge recoverable on advances to suppliers as well as warranty claims/liiquidated damages wherever there is uncertainty of realisation/acceptance are not treated as accrued and are therefore accounted for on receipt/acceptance.
- Scrap other than steel scrap is accounted for as and when sold.
- 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.

J. EXPENDITURE

- Depreciation on the assets is charged on straight line method following the rates and methodology notified by the CERC Tariff Regulations in accordance with Schedule II of the Companies Act 2013.
- Depreciation on the following assets is provided based on their estimated useful life as prescribed by the Companies Act,2013 :

a) Kutcha Roads	2 years
b) Enabling works - Residential buildings - Internal electrification of residential building. - non-residential buildings including their internal electrification, water supply, sewerage & drainage works, railway sidings, aero dromes, helipads and airstrips.	15 years 10 years 5 years
c) Personal computers & laptops including peripherals	3 years
d) Photocopiers, fax machines, water coolers and refrigerators	5 years
e) Temporary erections including wooden structures	1 year

- 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.
- Assets costing up to ₹ 5000/- are fully depreciated in the year of acquisition.
- 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 related plant, whichever is less.
- 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 rates and methodology notified by CERC Tariff Regulations.
- 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. Life of Buildings(Township & Administrative) has been taken as per the Remaining Life assessment(RLA) study done during taking over of KBUNL in FY 2006-07.
- 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.

- Expenditure for community development is charged off to revenue.
- 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.
- Expenses on ex-gratia payments under voluntary retirement scheme, training & recruitment and research and development are charged to revenue in the year incurred.
- Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance are charged to revenue.
- Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets and systems.
- Prepaid expenses and prior period expenses/income of items of ₹ 100,000/- and below are charged to natural heads of accounts.
- Transit and handling losses of coal as per norms are included in cost of coal.

K. EMPLOYEE BENEFITS :-

- In respect of employees from Holding Company NTPC- Employee benefits include provident fund, pension, gratuity, post retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme & other terminal benefits. In terms of the arrangement with the Holding Company, the company is to make a fixed percentage contribution of the aggregate of basic pay and dearness allowance for the period of service rendered in the Company. Accordingly, these employee benefits are treated as defined contribution scheme.
- In respect of employees on deputation from BSPGCL- Employee benefit include Earned leave and pension. The company is to make a fixed percentage contribution of Pay band and Grade Pay thereon. Accordingly, these employee benefits are treated as defined contribution scheme.
- In respect of employees on roll of the company - Employee benefit expenditure like provident fund, gratuity and other terminal benefits are provided on actual basis.

L. 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.

M. 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.

N. CASH FLOW STATEMENT

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) 3 on 'Cash Flow Statements'.

O. 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.

KANTI BIJLEE UTPADAN NIGAM LTD.

Note No. 2 to the Financial Statements

Amount in ₹

As at	31.03.2015	31.03.2014
SHARE CAPITAL		
Equity Share Capital		
AUTHORISED		
1,000,000,000 equity shares of par value of ₹ 10/- each (Previous year 1,000,000,000 shares of par value of ₹ 10/- each)	10,000,000,000	10,000,000,000
ISSUED, SUBSCRIBED AND PAID-UP		
1,000,000,000 equity shares of par value of ₹ 10/- each fully paid up (Previous year 72,76,94,205 equity shares of par value of ₹ 10/- each fully paid-up)	10,000,000,000	7,276,942,050

a) Reconciliation of number of shares outstanding at beginning and at end of the year

Particulars	2014-15	2013-14
Number of shares outstanding at the beginning of the year	727,694,205	549,463,436
Shares issued during the year/period	272,305,795	178,230,769
Number of shares outstanding at the close of the year	1,000,000,000	727,694,205

b) The Company has only one class of equity shares having a par value of ₹ 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

c) Shares in respect of each class in the company held by its holding company:

Holding Company- NTPC Ltd. - 65,00,00,000 Equity shares of ₹ 10/- each (Previous year 47,30,01,233 Equity shares ₹10/- each)

d) Details of shareholders holding more than 5% shares in the company:

Particulars	As on 31.03.2015		As on 31.03.2014	
	No. of shares	%age holding	No. of shares	%age holding
- NTPC LTD.	650,000,000	65	473,001,233	65
- BSPGCL	350,000,000	35	254,692,972	35

Note No. 3 to the Financial Statements

Amount in ₹

As at	31.03.2015	31.03.2014
RESERVES AND SURPLUS		
Capital Reserve		
As per last balance sheet	3,712,840,873	3,871,023,737
Add: Grants received during the year	200,000,000	196,700,000
Less: Grants recognised as Income	253,406,500	154,882,864
Less: Adjustments during the year	-	200,000,000
Closing Balance	3,659,434,373	3,712,840,873
Surplus in the statement of Profit and Loss		
As per last balance sheet	(227,517,255)	(222,105,165)
Add(Less):-Profit/(Loss) after tax for the year from Statement of Profit & Loss	172,447,678	(5,412,090)
Less:-Dep Adj agnst op bal	134,472	-
Closing Balance	(55,204,049)	(227,517,255)
Total	3,604,230,324	3,485,323,618

Note No. 4 to the Financial Statements

Amount in ₹

As at	31.03.2015	31.03.2014
SHARE APPLICATION MONEY PENDING ALLOTMENT		
Share application money	-	714,620,938
1. Equity shares of ₹ 10/- each at par were issued against the Share application money.		

Note No. 5 to the Financial Statements

Amount in ₹

As at	31.03.2015	31.03.2014
LONG TERM BORROWINGS		
Term Loans		
From Banks		
Secured	15,526,024,849	11,761,694,986
From Others		
Secured	3,408,789,500	3,408,789,500
Unsecured	25,714,282	42,857,143
Total	18,960,528,631	15,213,341,629

1 Term Loans- Secured- From Bank and FI

a). Loan from consortium led by State Bank of India for expansion project (2*195MW) at Kanti is secured by a first priority charge on all assets of the Project, present & future, movable & immovable and land of 987.9293 acres. 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.

b). Total sanctioned amount of loan and guarantee facility is ₹2341 crores and ₹100 crores respectively. Repayment period of the loan is 15 years and repayment will start from 30.09.2014 on quarterly basis

c). The loan bears floating rate of interest linked to the SBI Base Rate.

d). In first phase the charge with registrar of companies (ROC) was filed on 27.09.2011 for 594.84 Acres of Land and ROC issued certificate of Registration of Mortgage on 28.09.2011. In second phase 282.34 Acres of land was mortgaged on 07.11.2014 ROC issued certificate of Registration of Mortgage on 05.12.2014, certifying that the Mortgage/charge has been registered for ₹2441.28 crore in their office in accordance with the provisions contained in section 125 to 130 of the Companies Act, 1956 on 28th September 2011.

e). The secured loan is repayable in 11 years on quarterly basis starting from 30th September 2016.

f). Details of terms of repayment

Particulars	Non current portion		Current portion	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Term Loans				
Secured				
Banks	15,526,024,849	11,761,694,986	-	678,559,326
Others	3,408,789,500	3,408,789,500	-	51,910,500

2 Term Loan- Unsecured

a). The term loan is from Holding company NTPC Ltd.

b). The loan is repayable in 7 years on half yearly basis starting from 30th September 2008.

c). The rate of interest on the loan is at par with SBAR (State Bank Advance Rate) as adjusted to half yearly rests with a year of 365 days.

d). Details of terms of repayment

Particulars	Non current portion		Current portion	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Term Loans				
Unsecured				
Others	25,714,282	42,857,143	8,571,428	37,142,857

3 There has been no default in repayment of any of the loans or interest thereon as at the end of the year.

Note no. 6 to the Financial Statements

Amount in ₹

As at	01.04.2014	Addition/ (adjustments) during the year	As at 31.03.2015
DEFERRED TAX LIABILITIES (NET)			
Difference of book depreciation and tax depreciation	-	181,560,943	181,560,943
Less: Deferred tax assets			
Provisions & Other disallowances for tax purposes	-	6,390,398	6,390,398
Disallowances u/s 43B of the Income Tax Act, 1961	-	-	-
Total	-	175,170,545	175,170,545

a) The net increase during the year in the deferred tax liability of ₹ 17,51,70,545 (previous year ₹ (11,99,206) 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.

KANTI BIJLEE UTPADAN NIGAM LTD.
Note No. 7 to the Financial Statements

As at	Amount in ₹	
	31.03.2015	31.03.2014
OTHER LONG TERM LIABILITIES		
Trade Payable	-	650,101
Other Liabilities		
Payable For Capital Expenditure	628,896,074	1,179,857,038
Total	628,896,074	1,180,507,139

Disclosure w.r.t. Micro, small and medium enterprises as required by MSMED Act, 2006 is made in Note No. 34

Note No. 8 to the Financial Statements

As at	Amount in ₹	
	31.03.2015	31.03.2014
SHORT TERM BORROWINGS		
Secured		
Cash Credit Loan-State Bank of India	1,485,136,157	763,432,151

- The Cash Credit loan is secured by hypothecation of stock in trade, Book Debt of Stage-I. The outstanding balance is repayable on demand. The loan bears floating rate of interest linked to the SBI Base Rate.
- There has been no default in repayment of loan or interest thereon as at the end of the year.

Note No. 9 to the Financial Statements

As at	Amount in ₹	
	31.03.2015	31.03.2014
TRADE PAYABLES		
For Goods & Services	463,340,645	234,625,579

Disclosure w.r.t. Micro, small and medium enterprises as required by MSMED Act, 2006 is made in Note No.-34

Note No. 10 to the Financial Statements

As at	Amount in ₹	
	31.03.2015	31.03.2014
OTHER CURRENT LIABILITIES		
Current maturity of long term borrowings		
From Banks		
Secured		
Term Loan	-	678,559,326
From Others		
Secured		
Term Loan	-	51,910,500
Unsecured		
Term Loan(NTPC Ltd.)	8,571,428	37,142,857
Advance from Customers	136,408,429	-
Payable for Capital Expenditure	1,994,459,060	796,211,866
Other Payables		
Tax deducted at source and other statutory dues	18,814,973	22,588,123
Deposit From Contractors & Others	14,304,723	14,111,744
Payable to Employees	5,600,241	17,116,677
Payable to NTPC Ltd	383,818,829	315,218,463
Others	111,895,017	115,941,245
Total	2,673,872,700	2,048,800,801

a). Disclosure w.r.t. Micro, small and medium enterprises as required by MSMED Act, 2006 is made in Note no.-34

b). Details in respect of rate of interest and terms of repayment of unsecured current maturities of long term borrowings indicated above are disclosed in Note no-5.

Note No. 11 to the Financial Statements

As at	Amount in ₹	
	31.03.2015	31.03.2014
SHORT TERM PROVISIONS		
Provision for current tax		
As per last balance sheet	-	-
Additions during the year	103,901,988	-
Less: Set off against taxes paid	11,232,534	-
Closing balance	92,669,454	-
Provision for obligations incidental to land acquisition		
As per last balance sheet	200,146,122	200,300,000
Amounts paid during the year	5,470,768	153,878
Additions during the year	-	-
	194,675,354	200,146,122
Provision for shortages in fixed assets	173,961	-
	173,961	-
Total	287,518,769	200,146,122

KANTI BIJLEE UTPADAN NIGAM LTD.

Note No. 12 to the Financial Statements

Amount in ₹

TANGIBLE ASSETS

	Gross Block				Depreciation/Amortisation				Net Block	
	As at 01.04.2014	Additions	Deduction/ Adjustment	As at 31.03.2015	Upto 01.04.2014	For the year	Deduction/ Adjustment	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Land : (including development expenses)										
Freehold	1,134,390,185	82,840,282	-	1,217,230,467	-	-	-	-	1,217,230,467	1,134,390,185
Leasehold	33	-	-	33	7	1	-	8	25	26
Roads, bridges, culverts & helipads	12,430,863	-	-	12,430,863	3,523,909	356,997	-	3,880,906	8,549,957	8,906,954
Building :										
Freehold										
Main plant	113,508,719	-	-	113,508,719	50,921,383	6,471,974	-	57,393,357	56,115,362	62,587,336
Others	191,498,666	-	(78,459,896)	269,958,562	50,847,950	10,578,101	-	61,426,051	208,532,511	140,650,716
Water Supply, drainage & sewerage system	4,444,628	-	-	4,444,628	1,245,450	107,191	-	1,352,641	3,091,987	3,199,178
MGR track and signalling system	88,958,414	-	(1,024,115)	89,982,529	7,753,557	5,024,654	-	12,778,211	77,204,318	81,204,857
Plant and machinery (including associated civil works)	4,353,090,260	5,421,077	(1,768,990,818)	6,127,502,155	760,877,362	309,729,733	-	1,070,607,095	5,056,895,060	3,592,212,898
Furniture and fixtures	17,373,175	1,720,445	3,750	19,089,870	5,352,704	1,266,940	3,750	6,615,894	12,473,976	12,020,471
Vehicles including speedboats:										
Owned	152,190	-	-	152,190	3,636	14,546	-	18,182	134,008	148,554
Office equipment	7,566,892	864,137	(21,000)	8,452,029	2,254,419	878,641	(139,099)	3,272,159	5,179,869	5,312,473
EDP, WP machines and satcom equip.	12,503,727	2,196,311	534	14,699,504	6,688,422	3,130,566	(43,925)	9,862,913	4,836,591	5,815,305
Construction equipments	30,539,824	2,917,227	-	33,457,051	5,136,470	3,188,274	-	8,324,744	25,132,307	25,403,354
Electrical Installations	63,776,281	-	-	63,776,281	5,765,990	3,401,569	-	9,167,559	54,608,722	58,010,291
Communication Equipments	112,567	-	-	112,567	24,237	7,126	-	31,363	81,204	88,330
Hospital Equipments	34,946	-	-	34,946	27,126	423	-	27,549	7,397	7,820
Total	6,030,381,370	95,959,478	(1,848,491,545)	7,974,832,393	900,422,622	344,156,736	(179,274)	1,244,758,632	6,730,073,761	5,129,958,748
	2,950,210,106	91,232,531	(2,988,938,733)	6,030,381,370	639,786,359	260,683,603	47,340	900,422,622	5,129,958,748	2,310,423,747

Deduction/Adjustment 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
Cost adjustment including exchange difference	(1,848,474,829)	(2,989,169,269)	-	-
Assets capitalised with retrospective effect/write back of excess capitalisation	4,284	192,056	-	-
Others	(21,000)	38,480	(179,274)	47,340
	(1,848,491,545)	(2,988,938,733)	(179,274)	47,340

a) The conveyancing of the title of 49.0975 acre of freehold land in possession of the company of value ₹ 15,42,07,129 (Previous year 341.22 acre of value ₹ 87,81,60,471), in favor of the Company are awaiting completion of legal formalities.

b) The borrowings costs capitalised during the year ended 31st March 2015 is ₹ 215,71,63,016 (previous year ₹ 163,67,05,592). The Company capitalised the borrowings costs in the capital work-in-progress (CWIP). Borrowing costs included in the cost of major heads of fixed assets and CWIP through 'Addition' or 'Deductions/Adjustment' column are given below:

	(Amount in ₹)		(Amount in ₹)	
	For the year ended 31 st March 2015		For the year ended 31 st March 2014	
	Borrowing costs included in fixed assets/CWIP		Borrowing costs included in fixed assets/CWIP	
Building				
Main plant	442,895,797		283,962,579	
Others	550,857		784,360	
MGR track	12,513,177		10,771,308	
Railway siding				
Plant and equipment	1,652,887,773		1,274,341,502	
Others	48,315,412		66,845,843	
Total	2,157,163,016		1,636,705,592	

INTANGIBLE ASSETS

Amount in ₹

	Gross Block				Depreciation/Amortisation				Net Block	
	As at 01.04.2014	Additions	Deduction/ Adjustment	As at 31.03.2015	Upto 01.04.2014	For the year	Deduction/ Adjustment	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Software	2,373,253	282,704	-	2,655,957	2,308,276	98,972	-	2,407,248	248,709	64,977
Total	2,373,253	282,704	-	2,655,957	2,308,276	98,972	-	2,407,248	248,709	64,977
Previous year	2,373,253	-	-	2,373,253	1,936,861	371,415	-	2,308,276	64,977	813,929

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

	31.03.2015	31.03.2014
Charged to Statement of Profit & Loss	309,109,164	244,366,973
Allocated to fuel cost	24,469,271	8,370,033
Transferred to expenditure during construction period (net)-Note-26	10,677,274	8,318,013
	344,255,709	261,055,019

Note No. 13 to the Financial Statements

NON CURRENT ASSETS

Amount in ₹

	As at 01.04.2014	Addition	Deduction/ Adjustment	Capitalised	As at 31.03.2015
CAPITAL WORK-IN-PROGRESS					
Development of land	637,601,453	155,692,484	-	-	793,293,937
Roads, bridges, culverts & helpads	3,409,613	123,641	2,137,405	-	1,395,849
Buildings :					
Main plant	3,603,499,324	904,189,359	-	-	4,507,688,683
Others	81,606,663	16,158,263	(2,622,547)	78,459,896	21,927,577
Temporary erection	628,711	2,526,235	-	-	3,154,946
MGR track and signalling system	120,252,336	30,535,711	(5,718)	1,024,115	149,769,649
Earth Dam Reservoir	2,011,252	11,295	-	-	2,022,547
Plant and machinery	17,527,873,021	4,691,519,095	(104,565,378)	1,768,990,818	20,554,966,676
Furniture and fixtures	63,834	-	63,834	-	-
EDP/WP Machines & Satcom Equipments	7,739,946	835,472	-	-	8,575,418
Construction equipments	1,397,784	83,438	-	-	1,481,222
Electrical Installation	76,981,133	15,743,554	-	-	92,724,687
	22,063,065,070	5,817,418,546	(104,992,404)	1,848,474,829	26,137,001,191
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	623,993,509	9,722,049	9,042,063	-	624,673,495
Pre-commissioning expenses (net)	-	150,263,769	95,950,341	-	54,313,428
Expenditure during construction period (net)-Note 26	-	2,396,717,400*	-	-	2,396,717,400
Less: Allocated to related works	-	2,396,717,400	-	-	2,396,717,400
	623,993,509	159,985,818	104,992,404	-	678,986,923
Construction stores (net of provision)	1,025,542,838	(184,837,602)	-	-	840,705,236
Total	23,712,601,417	5,792,566,762	-	1,848,474,829	27,656,693,350
Previous year	19,585,308,393	7,123,204,361	-	2,989,169,269	23,712,601,417

*Brought from expenditure during construction period (net) - Note 26

Construction stores are net of provision for shortages pending investigation amounting to ₹ 99,13,994 (previous year ₹93,08,022)

KANTI BIJLEE UTPADAN NIGAM LTD.
Note No. 14 to the Financial Statements

As at	Amount in ₹	
	31.03.2015	31.03.2014
LONG TERM LOANS AND ADVANCES		
(Considered good, unless otherwise stated)		
CAPITAL ADVANCES		
Unsecured		
Covered by Bank Guarantee	347,359,755	724,811,754
Others	446,224,991	423,542,684
Deposit with Customs port trust & others (Unsecured)	8,463,400	8,463,400
Advance tax deposited & tax deducted at source	9,971,582	9,971,582
Total	812,019,728	1,166,789,420

Note No. 15 to the Financial Statements

As at	Amount in ₹	
	31.03.2015	31.03.2014
INVENTORIES		
Coal	17,880,102	33,570,991
Fuel oil	13,757,352	54,022,669
Components and spares	169,165,018	68,067,686
Chemicals & consumables	22,508,679	8,247,528
Loose tools	1,424,889	589,641
Steel Scrap	35,463,359	31,725,408
Others	30,331,456	11,595,000
	290,530,855	207,818,923
Less: Provision for shortages	8,712,864	705,776
Total	281,817,991	207,113,147
Inventories include material-in-transit		
Stores & spares	10,370,341	4,316,446
Others	118,251	518,915
	10,488,591	4,835,361

Inventory items, other than steel scrap, have been valued considering the significant accounting policy no. H disclosed in Note no. -1 to these financial statements. Steel scrap has been valued at estimated realisable value.

Inventories-Others includes steel, cement etc.

Note No. 16 to the Financial Statements

As at	Amount in ₹	
	31.03.2015	31.03.2014
TRADE RECEIVABLES		
Outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	1,104,593,397	148,671,705
Total	1,104,593,397	148,671,705

Note No. 17 to the Financial Statements

As at	Amount in ₹	
	31.03.2015	31.03.2014
CASH & BANK BALANCES		
Cash & cash equivalents		
Balances with Banks		
Current Accounts	6,048,436	24,836,847
Deposits with original maturity of less than three months	576,792,383	217,803,352
Less: Cheque issued but not presented	- 576,792,383	2,512,857
Total	582,840,819	240,127,342

Note No. 18 to the Financial Statements

As at	Amount in ₹	
	31.03.2015	31.03.2014
SHORT TERM LOANS & ADVANCES		
ADVANCES		
Contractors & Suppliers, including material issued on loan		
Unsecured	543,020,808	115,124,396
Others		
Prepaid Insurance	9,972,958	11,446,647
Total	552,993,766	126,571,043

Note No. 19 to the Financial Statements

As at	Amount in ₹	
	31.03.2015	31.03.2014
OTHER CURRENT ASSETS		
Interest accrued on		
Term deposits	1,186,834	44,935
Advance to contractor	2,603,303	14,816,284
Claims recoverable		
Unsecured, considered good	887,799	500,747
Asset Held for Disposal	47,845	47,846
Unbilled Debtors	552,686,543	370,432,416
Total	557,412,324	385,842,228

Note No. 20 to the Financial Statements

For the year ended	Amount in ₹	
	31.03.2015	31.03.2014
REVENUE FROM OPERATIONS		
Sales		
Energy Sales	4,305,211,510	1,442,078,902
	4,305,211,510	1,442,078,902
Energy internally consumed	32,656,249	9,228,430
Other operating revenues		
Grants recognised as Income during the year	253,406,500	154,882,864
Provision written back		
Shortage in stores	514,087	6,128,132
Shortage in Construction stores	8,017,291	2,565,954
	294,594,127	172,805,380
Total	4,599,805,637	1,614,884,282

- a) Commercial Operation of Unit-I has commenced w.e.f. 01.11.2013. The Central Electricity Regulatory Commission (CERC) issued provisional tariff order w.e.f. 01.11.2013 for Unit-I of KBUNL. Commercial operation of Unit 2 has commenced w.e.f. 15.11.2014. Tariff petition filed in CERC for both the units. Till Nov. 2014 Billing of Unit-1 was done as per the provisional tariff order of the same. From Nov 2014 onwards beneficiaries are billed by taking 85% of Fixed charges filed in the tariff petition before CERC.
- b) Revenue from operations include ₹ 3,26,56,250 (previous year ₹92,28,430) towards energy internally consumed, valued at variable cost of generation and the corresponding amount is included in power charges (Note-24)

Note No. 21 to the Financial Statements

For the year ended	Amount in ₹	
	31.03.2015	31.03.2014
OTHER INCOME		
Interest from		
Indian Banks	300,489	4,734,555
Interest from Contractor	36,989,523	46,517,854
Other non-operating income		
Other Receipts from Contractors/ Suppliers	8,972	654,473
Sale of Scrap	-	1,232,084
Miscellaneous income	4,731,057	3,854,760
	42,030,041	56,993,726
Less: Transferred to expenditure during construction period (net) - Note 26	37,310,104	50,369,512
Total	4,719,937	6,624,214

Miscellaneous income includes EMD forfeited, LD recovered and township recoveries.

Note No. 22 to the Financial Statements

For the year ended	Amount in ₹	
	31.03.2015	31.03.2014
EMPLOYEE BENEFITS EXPENSE		
Salaries and wages	277,324,101	256,542,618
Contribution to provident and other funds	68,997,449	35,871,452
Staff welfare expenses	11,403,111	12,932,676
	357,724,661	305,346,746
Less: Transferred to fuel cost	10,541,013	6,310,688
Less: Transferred to expenditure during construction period (net) - Note 26	127,098,113	200,998,558
Total	220,085,535	98,037,500

Disclosure w.r.t 'Employees Benefits' are made in Note No.29

Note No. 23 to the Financial Statements

Amount in ₹

For the year ended	31.03.2015	31.03.2014
FINANCE COSTS		
Interest on :		
Rupee term loans	2,156,125,308	1,622,655,089
Cash Credit Loan	98,969,330	34,374,311
Others(Loan From Holding Company)	10,334,825	16,856,507
Sub-Total	2,265,429,463	1,673,885,907
Other Borrowing Costs :		
Guarantee fee	-	3,425,429
Up-front fee	1,037,708	56,180
Sub-Total	1,037,708	3,481,609
	2,266,467,171	1,677,367,516
Less: Transferred to Expenditure during construction period (net)- Note 26	2,157,163,016	1,636,705,592
Total	109,304,155	40,661,924

Note No. 24 to the Financial Statements

Amount in ₹

For the year ended	31.03.2015	31.03.2014
GENERATION, ADMINISTRATION & OTHER EXPENSES		
Power charges	32,656,250	114,572,299
Less: Recovered from contractors & employees	726,661	1,168,977
	31,929,589	113,403,322
Stores consumed	2,504,823	4,938,184
Rent	986,627	938,286
Repairs & maintenance		
Buildings	18,543,859	9,191,035
Plant & Machinery	130,168,917	80,979,067
Others	10,763,598	2,932,379
	159,476,374	93,102,481
Insurance	12,175,707	9,099,170
Rates and taxes	294,000	421,962
Water cess & environment protection cess	1,097,530	287,777
Training & recruitment expenses	421,995	420,461
Communication expenses	4,841,132	4,421,828
Travelling expenses	24,659,423	18,807,094
Foreign Travel	374,877	153,499
Tender expenses	4,102,317	612,908
Less: Receipt from sale of tenders	150,750	39,825
	3,951,567	573,083
Advertisement & Publicity	2,646,399	-
Payment to auditors	202,628	268,740
Security expenses	111,508,790	93,232,746
Entertainment expenses	3,176,422	1,593,128
Expenses for guest house	10,815,101	8,557,306
Less: Recoveries	130,384	90,720
	10,684,717	8,466,586
Brokerage & commission	-	667,512
Community development expenses	-	288,535
Books and periodicals	15,078	30,981
Professional charges and consultancy fees	16,558,160	14,906,211
Legal expenses	706,972	375,343
EDP hire and other charges	2,664,863	488,243
Printing and stationery	1,500,777	730,239
Hiring of vehicles	10,234,109	7,862,354
Bank charges	4,650,900	5,816,159
Rebate to customer	1,078,908	77,576
Miscellaneous expenses	11,141,398	3,296,863
Loss on asset written-off	18,769	25,377
	419,502,534	384,693,740
Less: Allocated to fuel cost	18,662,003	7,686,834
Less: Transferred to Expenditure during Construction period(net)-Note 26	139,089,102	272,576,667
	261,751,429	104,430,239
Provisions for		
Shortage in stores	8,521,175	398,886
Shortage in construction stores	8,623,263	9,308,022
Shortages in fixed assets on physical verification	173,961	-
	17,318,399	9,706,908
Total	279,069,829	114,137,147
a) Spares consumption included in repairs and maintenance	60,386,499	27,934,705
b) Details in respect of payment to auditors:		
As auditor		
Audit fees	112,360	80,000
Tax audit fee	22,472	20,000
In other capacity		
Other services	28,090	66,854
Reimbursement of expenses	39,706	101,886
	202,628	268,740

Note No. 25 to the Financial Statements

Amount in ₹

For the year ended	31.03.2015	31.03.2014
PRIOR PERIOD ITEMS (NET) EXPENDITURE		
Depreciation & amortisation	21,010	-
Net Expenditure/(Income)	21,010	-
Total	21,010	-

Note No. 26 to the Financial Statements

Amount in ₹

For the year ended	31.03.2015	31.03.2014
EXPENDITURE DURING CONSTRUCTION PERIOD (NET)		
A. Employee benefits expense		
Salaries and wages	96,247,528	161,635,656
Contribution to provident and other funds	25,693,425	27,756,760
Staff welfare expenses	5,157,159	11,606,142
Total (A)	127,098,112	200,998,558
B. Finance Costs		
Interest on		
Rupee term loans	2,156,125,308	1,633,223,983
Guarantee fee	-	3,425,429
Upfront Fee	1,037,708	56,180
Total (B)	2,157,163,016	1,636,705,592
C. Depreciation and amortisation	10,677,274	8,318,013
D. Generation, administration and other expenses		
Power charges	23,457,398	110,258,610
Less: Recovered from contractors & employees	381,654	1,080,065
	23,075,744	109,178,545
Rent	9,000	16,500
Repairs & maintenance		
Buildings	6,552,158	9,191,036
Others	11,204,596	37,834,024
	17,756,754	47,025,059
Insurance	4,439,097	5,200,606
Rates and taxes	280,000	1,530
Water cess & environment protection cess	-	287,777
Communication expenses	3,234,001	4,079,968
Travelling expenses	9,830,086	14,797,631
Tender expenses	2,682,487	595,153
Less: Income from sale of tenders	-	30,825
	2,682,487	564,328
Advertisement & printing Exp	23,236	-
Security expenses	48,674,990	57,633,308
Entertainment expenses	1,310,845	1,201,628
Guest house expenses	3,873,762	3,569,919
Payment to auditors	-	141,773
Brokerage & Commission	-	667,512
Books & periodical	2,637	30,169
Professional charges and consultancy fee	10,250,504	14,088,995
Legal expenses	13,200	138,810
EDP Hire and other charges	1,626,269	447,211
Printing and stationery	768,108	614,495
Miscellaneous expenses	11,238,382	12,890,903
Total (D)	139,089,102	272,576,667
Total (A+B+C+D)	2,434,027,504	2,118,598,830
E. Less: Other Income		
Interest From Bank	-	902,017
Interest from contractors	35,529,693	45,121,212
Sale of scrap	-	1,232,084
Other Receipts from Contractors/ Suppliers	8,972	7,285
Miscellaneous income	1,771,439	3,106,914
TOTAL (E)	37,310,104	50,369,512
F. Prior Period Items (net)	-	-
GRAND TOTAL (A+B+C+D-E+F)*	2,396,717,400	2,068,229,318

* Balance carried to Capital Work-in-progress - (Note 13)

KANTI BIJLEE UTPADAN NIGAM LTD.

Notes to the financial Statements for the year ending on 31st March 2015

27. Balances shown under trade receivables, trade/other payables and loans & 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.

28. Disclosure as per Accounting Standard - 12 on 'Accounting for Government Grants'

As per the MOU on 9th May 2006, Govt. of India sanctioned a grant of ₹4,71,80,00,000 through Govt. of Bihar for renovation & modernization of the taken over station under RSVY grant. Out of the said amount, ₹ 2,49,67,00,000 paid to M/s BHEL against R&M contract on behalf of the Company and an amount of ₹ 1,80,00,00,000 paid to KBUNL till 31.03.2015 have been accounted as 'Grants received' in Note -3.

29. Disclosure as per Accounting Standard -15 on 'Employees Benefits'

a.) An amount of ₹ 5,28,90,500(previous year ₹ 2,60,45,951) towards provident fund, pension, gratuity, post retirement medical facilities & other terminal benefits and ₹1,51,87,425 (previous year ₹74,79,055) towards leave & other benefits, is payable to the NTPC Ltd. for employees on secondment from NTPC Ltd.

b.) In respect of employee on deputation from BSPGCL ₹16,14,816(previous year ₹16,97,448) towards pension and ₹11,23,122(previous year ₹11,83,116) towards Leave benefits ,payable to BSPGCL.

c.) In respect of KBUNL employee ₹ 14,29,683 (Previous year ₹ 18,31,228) towards gratuity and ₹ 40,22,656.35(previous year ₹ 49,64,032) towards Leave benefits is payable.

30. Disclosure as per Accounting Standard - 16 on 'Borrowing Costs'

Borrowing costs capitalized (taken to CWIP) during the year are ₹ 215,71,63,016 (previous year ₹ 163,67,05,592).

31. Disclosure as per Accounting Standard - 19 on 'Leases'

Operating Lease:

The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancelable. Note 22-Employee benefit expenses include ₹ 26,41,615 (Previous Year ₹ 40,87,476) towards lease payments, net of recoveries, in respect of premises for residential use of employees. Lease payments in respect of premises for office included under 'Rent' in Note-24- 'Generation, Administration and Other Expenses'.

32. Disclosure as per Accounting Standard - 20 on 'Earning Per Share'

The elements considered for calculation of earnings per share (Basic and Diluted) are as under:

Particulars	Current year	Previous year
Net Profit / (Loss)after tax used as numerator (₹)	17,24,47,678	(54,12,090)
Weighted average number of equity shares used as denominator- Earning Per Share	83,79,18,609	59,78,05,480
Earning per share (₹)	0.21	(0.01)
Weighted average number of equity shares used as denominator - Diluted Earning Per Share	89,99,13,703	70,30,43,000
Diluted Earning per share(₹)	0.19	(0.01)
Face value per share (₹)	10	10

33. Foreign Currency Exposure not hedged by a derivative instrument or otherwise :

Particulars	Currencies	Amount in Foreign Currency		Amount in ₹	
		31.03.2015	31.03.2014	31.03.2015	31.03.2014
Unexecuted amount of contracts remaining to be executed	USD	1,78,379	1,78,379	112,71,824	108,11,604
	JPY	190,92,401	190,92,401	100,69,333	112,93,155

34. Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	Amount ₹
a) Amount remaining unpaid to any supplier:	
Principal amount	6,22,17,092
Interest due thereon	-
b) Amount of interest paid in terms of section 16 of the MSMED Act along with the amount paid to the suppliers beyond the appointed day.	-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-
d) Amount of interest accrued and remaining unpaid	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under section 23 of MSMED Act	-

35. Contingent Liabilities

a) Arbitration cases against the company in respect of capital works:

Some contractors for supply and installation of equipment and execution of works at our project have made claims on the Company for ₹56.78 crore (previous year ₹ Nil) seeking revision of L2 rate for supply contract and erection contract, non-imposition of LD, payment of over stay compensation, 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.

b) Disputed Income Tax/Sales Tax/ Excise Matters:

Disputed Income Tax demand for the assessment year 2012-13 amounting to ₹ 3.56 crore (previous year ₹ Nil) is pending in appeal before Commissioner of Income Tax-Appeals , New Delhi. Disputed entry tax demand amounting to ₹ 1.38 crore (previous year ₹ 1.38 crore) in respect of interest and penalty on differential Entry Tax (16%-8%) on purchase of LDO pertaining to FY 2008-09 & 2009-10 is pending before Appellate Tribunal , Patna, and electricity duty demand amount to ₹18.68 crore(previous year ₹ Nil) is pending before Patna High Court .

36. Capital and other commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2015 is ₹ 634,51,34,587 (previous year ₹ 1023,69,51,186).

37. Other disclosure as per Schedule III of the Companies Act, 2013

Particulars	Current year amount ₹	Previous year amount ₹
a) Expenditure in foreign currency :		
Others-Foreign Travel	3,74,877	1,53,498
b) Value of component, stores and spare parts consumed	6,03,86,498	2,79,34,705

38. Unit #2 of Stage-I, KBUNL has been declared "Commercially Operational" w.e.f. from 15.11.2014 after Renovation and Modernization. An amount of ₹ 184.85crores has been capitalized in Plant & Machinery, Buildings etc. Life of Plant & Machinery of Unit#2 has been taken as 15 years in line with technical assessment and in accordance with renovated life of Unit-1. Further, the life of Buildings has been kept as per the RLA study done by M/s T. B. Aiyar & Co., Chartered Accountants during takeover (FY 2006-07) of KBUNL.

39. Due to change in accounting policy for depreciation, the amount of depreciation has increased by ₹ 23,308,41/- . The impact on depreciation is due to change in life of following assets:

Asset	Old life	New Life
Personal computers & laptops including peripherals	5	3
Water coolers and refrigerators	12	5

40. Figures have been rounded off to nearest rupee.

41. Previous year figures have been regrouped/rearranged wherever necessary.

For & On Behalf of the Board of Directors

(Ruchi Aggarwal) (P.Amrit) (Dr Arup Roy Choudhury)
Company Secretary Director Chairman

For M/s B.B. Mathur & Co
Chartered Accountants
Firm Regn No.000290N

(Rajneesh Behari Mathur)
Partner
M. No. 088034

Dated: 21st May, 2015
Place: New Delhi

INDEPENDENT AUDITOR'S REPORT

To the Members of

KANTI BIJLEE UTPADAN NIGAM LTD.

We have audited the attached financial statements of KANTI BIJLEE UTPADAN NIGAM LTD ("the Company") which comprises of the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and the Cash Flow statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk

assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit/loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Government of India in terms of sub-section 11 of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure 1 a statement on the matters specified in the paragraphs 3 and 4 of the said Order.
- We are enclosing our report in terms of Section 143 (5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the Annexure 2 on the directions and sub-directions issued by Comptroller and Auditor General of India
- As required by Section 143 (3) of the Act, we report that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 35 to the financial statements;
 - The Company does not have any long term contracts including derivative contracts which require a provision to be made for future material foreseeable losses ;
 - The company was not required to transfer any amounts to the Investor Education and Protection Fund .

For M/s B.B. Mathur & Co
Chartered Accountants
Firm Regn No.000290N

(Rajneesh Behari Mathur)
Partner
M. No. 088034

Dated: 21st May, 2015
Place: New Delhi

KANTI BIJLEE UTPADAN NIGAM LTD.

ANNEXURE -1 TO THE AUDITORS REPORT

Annexure referred to in our report of even date to the members of Kanti Bijlee Utpadan Nigam Limited on the accounts for the year ended 31st March 2015

- (i) (a) The company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets. In respect of assets taken over from erstwhile Muzaffarpur Thermal Power Station from Bihar State Electricity Board the records have been maintained from the date of such acquisition after due physical verification of such assets.
- (b) There is a regular program of verification, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets and according to the information and explanations given to us no material discrepancies were noticed on such verification.
- (ii) (a) The Inventory of the company has been physically verified by the management at regular Intervals. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. In view of the above, the clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and sale of electricity. During the course of our audit, we have not observed any continuing failure to correct any major weaknesses in internal control system.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits, from the public, covered by the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act 2013, and the Companies (Acceptance of Deposits) Rules, 2014 with regard to the deposits accepted from the public. No order has been passed with respect to Section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal.
- (vi) We have broadly reviewed the accounts and records maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the presented accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete
- (vii) (a) Undisputed statutory dues including provident fund, employee' state

insurance, income tax, commercial tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as at 31st March 2015 for a period of more than six months from the date they became payable.

- (b) Disputed Statutory dues amounting to ₹ 23.62 Crores could not be deposited on account of disputes pending before the below mentioned authorities :-

Name of Statute	Nature of Dues	Forum Where Pending	Amount ₹ (Crores)
Income Tax Act, 1961	Income Tax	CIT- Appeals	3.56
The Bihar Tax on Entry of Goods into Local Areas for Consumption Use or Sale therein Act, 1993	Entry Tax	High Court	1.38
Bihar Electricity Duty Act	Electricity Duty	High Court	18.68
Total			23.62

- (c) The company was not required to transfer any amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956
- (viii) The company does not have accumulated losses of more than 50% of its equity capital and has not suffered cash losses during the current year and the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or banks.
- (x) According to the information and explanations given to us, the company has not given guarantees for loans taken by others from banks or financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- (xii) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For M/s B.B. Mathur & Co
Chartered Accountants
Firm Regn No.000290N

(Rajneesh Behari Mathur)
Partner
M. No. 088034
Dated: 21st May'2015
Place : New Delhi

ANNEXURE 2 TO THE AUDITORS' REPORT

Annexure referred to in our report of even date to the members of Kanti Bijlee Utpadan Nigam Limited on the accounts for the year ended 31st March 2015

Sl. No.	Directions	Action Taken	Impact on financial statement
1	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed and General Reserves) may be examined including the mode and present stage of disinvestment process.	The Company has not been selected for disinvestment during the financial year 2014-15.	Not applicable
2	Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons therefor and the amount involved.	According to information and explanations given to us, there are no cases of waiver/write off of debts/loans/interest etc.	Nil
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities?	No such case observed.	Nil
4	A report on age-wise analysis of pending legal/arbitration cases including the reasons of pendency and existence/effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.	The Company has 7 pending legal/arbitration cases. The age-wise classification obtained from the management is as under: More than 3 years : 1 Two to three year : 0 One to two years : 4 Less than one year : 2 These cases are pending for hearing /disposal at the respective forums. The Company has a system for monitoring expenditure on legal cases (foreign and local) which in our view is effective. As per annexure-A.	Nil

**Status of Pending Court Cases / Arbitration Cases at KBUNL
(A Subsidiary of NTPC Ltd) as on 31.03.2015**

Annex - A

Sl. No.	Category of Cases	Case Number	Name of Court	Name of Parties to Case	Description of Case	Amount involved/ Financial Implication of Case	Name of Advocate who looks after case	Present Status / Remarks, if any as on 31.03.2015
1	Writ Petition	CW.JC. No.16826 of 2011	High Court of Patna	Ashok Kumar Gupta Vs Govt of Bihar & Others	Shri Ashok Kr Gupta was awarded a work by UPL. The work was completed on 14.08.2007 however; the Agency was allegedly not refunded its Security Deposit by UPL until 31.12.2011. Hence the Agency has filed this writ petition. M/s UPL had released the SD only on 02.02.2012	Financial implication has not been quantified.	Mr. Anil Kumar Sinha, Advocate of Patna, Bihar.	C.E.O, KBUNL has been cited as the 3 rd Respondent in the matter. The case is pending.
Labour Court Cases at KBUNL as on 31.03.2015								
2	Payment of Wage Dispute	P.W. Case No.04 of 2012	Labour Court, Muzaffarpur, Bihar	Raja Ram Mahato Vs KBUNL & HCCL	This payment of wage dispute case has been filed by Shri Raja Ram Mahato who worked as sub-contract labourer under M/s HCCL at KBUNL Site. He was alleged to have worked under HCCL.	There is no direct financial implication on KBUNL. It is the contractor's responsibility to settle matter.	Mr. Sujoy Kumar Sinha, Advocate of Muzaffarpur, Bihar.	HCCL alleges that Raja Ram Mahato had refused to take wages. KBUNL is named as Respondent No.1 wrong manner. Now the case is pending.
3	Payment of Wage Dispute	P.W. Case No.03 of 2013	Labour Court, Muzaffarpur, Bihar	Sunil Chaudhary Vs Janta Engineering Co Ltd & KBUNL & Others	This case pertains to payment of wage dispute raised by Shri Sunil Chaudhary who worked as labourer under M/s Janta Engineering & Co Ltd, Faridabad, Haryana, worked at KBUNL Site	There is no direct financial implication on KBUNL. However, it is contractor's responsibility to settle a claim of ₹ 5,75,850/-	Mr. Sujoy Kumar Sinha, Advocate of Muzaffarpur, Bihar.	KBUNL through DGM who is cited as Opposite Party No.2. Hearing in the matter last took place on 07.03.2014. Since then, there has not been any further progress in the matter. Reply was already filed by KBUNL.
4	Workmen Compensation Case	W.C.No.19 of 2015	Commissioner of Workmen Compensation-Cum-DLC, Muzaffarpur	Ravindra Kumar Vs M/s Surendra Prasad & KBUNL	Ravindra Kumar was alleged to have sustained injury when he was said to have worked as contract labourer under contractor M/s Surendra Prasad	There is no direct financial implication on KBUNL. It is contractor's responsibility to settle a claim of ₹ 6,00,000/-	Vakalatnama to be shortly given to Mr. Sujoy Kumar Sinha, Advocate of Muzaffarpur, Bihar.	C.E.O, KBUNL has been cited as the Opposite Party No.2. The case is posted to 06.05.2015 for 1 st hearing. While contractor M/s Surendra Prasad is named as Opposite Party No1.
Industrial Tribunal Cases at KBUNL as on 31.03.2015								
5	Industrial Dispute Case	ID Case No.05 of 2014	Industrial Tribunal, Muzaffarpur	Mr. Vinay Kumar Vs M/s P&R Infraprojects Ltd. & Others	Mr. Vinay Kumar of Bishnupur Sumer, Kanti, Muzaffarpur has filed this case for his alleged illegal termination of his service from M/s B.S. Enterprises, a contractor of M/s P&R Infraprojects Ltd	There is no specific monetary claim by Mr. Vinay Kumar neither against KBUNL nor against M/s P&R Infraprojects Ltd. However, he has asked for reinstatement of his terminated service.	Mr. Sujoy Kumar Sinha, Advocate of Muzaffarpur, Bihar.	C.E.O, KBUNL has been cited as the Opposite Party.No-2 in the matter. The case is pending.

KANTI BIJLEE UTPADAN NIGAM LTD.

Sl. No.	Category of Cases	Case Number	Name of Court	Name of Parties to Case	Description of Case	Amount involved/ Financial Implication of Case	Name of Advocate who looks after case	Present Status / Remarks, if any as on 31.03.2015
Arbitration Cases / Commercial Contract Disputes at KBUNL as on 31.03.2015								
6	Arbitration Case	CS-0350-215-2-FC-NOA-020 dated 25.07.2011	Arbitral Tribunal comprising three members at Neeti Bagh Club, Neeti Bagh, New Delhi-110049	M/s Rohini Industrial Electrical Ltd, Mumbai Vs KBUNL	The contractor M/s RIEL has raised disputes like issuance of PAC, Revision of L2 Rate for Supply Contract, Revision of L2 Rate for Erection Contract, Non Imposition of LD & Payment of Over Stay Compensation.	The Claimant M/s RIEL has made a claim for ₹ 1,50,53,693/- (plus interest @ 18% from 01.04.2014 till date of Award and penal interest @ 18% from the date of Award till date of Payment) as per the Statement of Claim filed by M/s RIEL on 22.04.2014. Statement of Defence & Counter Claim approximately for ₹ 4.32 Crore filed by KBUNL on 30.08.2014	Mr.S K Taneja Sr.Advocate & Mr.Puneet Taneja, Advocate of New Delhi.	Since the commencement of the Arbitral proceedings, there have been six (06) hearings in the case i.e- 08.03.2014, 30.07.2014, 05.09.2014, 26.11.2014, 20.02.2015 & 27.03.2015 and the next two hearing is posted to 20.07.2015 & 21.07.2015 consecutively, wherein Claimant's Advocate Mr.Sanjay Grover will put forth his arguments. Thereafter, arguments of Advocates of the Respondent-KBUNL will commence.
7	Arbitration Case	CS-0350-315-9-LOA-007 dated 04.02.2011	Sole Arbitrator, Mr.Tufani Ram, Chief Executive Officer of KBUNL	M/s Hindustan Construction Company Ltd, Mumbai Vs KBUNL	Contractor M/s HCCL through its Arbitration Notice dt 19.02.2015 has 07 claims such as 1) under utilization of equipment upto 31.03.2013 for ₹ 6 Crores, 2) under recovery of fixed cost upto 31.03.2013 for ₹ 15 Crores, 3) Additional costs pertaining to abnormal increase in cost of aggregate upto 31.12.2012 for ₹ 7.65 Crores, 4) Additional cost pertaining to abnormal increase in cost of hard crust murrum and coarse sand material 31.12.2012 for ₹ 0.9 Crores, 5) Reimbursement of additional cost of sand due to ban of 10 wheeler trucks movement on Mahatma Gandhi Setu for ₹ 1.04 Crores, 6) Rate revision (for balance works to be executed after 03.12.2013 for ₹ 36.5 Crores and 7) Escalation based on revised L2 schedule. Total claim of ₹ 55 Crores demanded from KBUNL.	Approximately a total claim of ₹ 55 Crores.	EIC Mr.Gautam Santra, AGM (CCD) with legal assistance provided by KBUNL's Law Department. If required, a practising Advocate may also be roped at a later stage in the matter depending upon certain factors.	On receipt of Arbitration Notice dated 19.02.2015 from M/s HCCL, C.E.O, KBUNL had entered reference as Sole Arbitrator in accordance with Clause No.56 of GCC of Contract No.CS-0350-215-2-FC-NOA-019 CS-0350-215-SC-2-NOA-020 dated 25.07.2011. C.E.O, KBUNL being the HoP is deemed to have entered reference as Sole Arbitrator when he issued the Notice of 1 st Hearing to the parties concerned on 18.03.2015. The first hearing in the matter is schedule to take place on 21.04.2015 at 11:00 hrs at C.E.O's Conference Hall at Kanti.

Compliance Certificate

We have conducted the audit of accounts of (Kanti Bijlee Utpadan Nigam Ltd.) for the year ended 31st March 2015 in accordance with the directions/sub-directions issued by the C&AG of India under Section 143 (5) of the Companies Act, 2013 and certify that we have complied with all the directions/sub-directions issued to us.

For M/s B.B,Mathur & Co
Chartered Accountants
Firm Regn No.000290N

(Rajneesh Behari Mathur)
Partner
M. No. 088034

Dated: 21st May 2015
Place: New Delhi

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF KANTI BIJLEE UTPADAN NIGAM LTD. FOR THE YEAR ENDED 31 MARCH 2015.

Comment	Management Replies
<p>The preparation of financial statements of Kanti Bijlee Utpadan Nigam Ltd., for the year ended 31st March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the Standards of Auditing prescribed under section 143 (10) of the Act. This is stated to have been by them vide their Audit Report dated 21 May 2015.</p> <p>I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143 (6) (a) of the Act of the financial statements of Kanti Bijlee Utpadan Nigam Limited for the year ended 31 March 2015. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditor and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matter under section 143 (6) (b) of the Act which has come to my attention and which in my view is necessary for enabling a better understanding of the financial statements and the related Audit Report:</p> <p>1. Statement of Profit and Loss-Total Tax Expenses : ₹ 27,90,72,533 The above is overstated by ₹ 17.52 Cr due to non-creation of Deferred Assets to be recognized against Deferred Tax of ₹ 17.52 Cr. This has led to overstatement of 'Deferred Tax' and understatement of "Profit after tax ' by ₹ 17.52 Cr.</p> <p>2. Statement of Profit and Loss-Tax Expenses : Current Tax : ₹ 10,39,01,988 The above includes ₹ 0.74 Cr as interest due to late payment of advance tax for the year 2014-15. However, as per schedule III of the Companies Act, 2013 read with Guidance Note on Revised Schedule VI to the Companies Act ,1956 the above amount should have been charged to 'Finance Cost' (Note No. 23) under the head ' Expenses'. This has resulted in understatement of 'Finance Cost' and overstatement of 'Current Tax' by ₹ 0.74 Cr.</p>	<p></p> <p>Noted.</p> <p>Noted.</p>

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

For & on behalf of the Board of Directors

(Tanuja S. Mittal)
Principal Director of Commercial Audit &
Ex-officio Member, Audit Board – III, New Delhi

(Dr. Arup Roy Choudhury)
Chairman
DIN : 00659908

Place: New Delhi
Dated: 16th July 2015

Place: New Delhi
Dated: 22nd July 2015

BHARTIYA RAIL BIJLEE COMPANY LTD.

BHARTIYA RAIL BIJLEE COMPANY LIMITED DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Eighth Annual Report on the working of the Company together with Audited Accounts and Auditors' Report thereon for year ended on 31st March 2015.

PERFORMANCE OF THE COMPANY

Your Company is setting up 4X250 MW Thermal Power Project at Nabinagar, Bihar to meet the traction and non-traction electric power requirement of Railways.

Construction works is going in full swings at site. Boiler Light Up of unit #1 was done on 30th March 2015. In Main Plant area – All four Units Boiler drums have been lifted in its position. Hydro test of unit #2 boiler has been completed in Feb 2015 and hydro test of unit#3 and 4 boiler are in advance stage of completion. Possession Certificate signed with Distt. Authorities for 58.963 Acres land in the financial year 2014-15. Total land acquired for the plant is 1471.20816 acres.

FINANCIAL REVIEW

The financial highlights of the Company for the year ended on 31st March 2015 are as under:-

Balance Sheet Items as at	31.03.2015	31.03.2014
Paid-up Share Capital	15,84,61,38,500	10,46,15,23,090
Reserves and Surplus	(79,76,838)	(75,92,961)
Share Application Money Pending Allotment	-	60,66,15,910
Non-current liabilities	33,26,19,48,978	28,30,91,71,519
Current liabilities	3,27,44,07,357	3,63,74,56,801
Non-current assets	51,29,51,42,403	42,93,16,61,668
Current assets	1,07,93,75,594	7,55,12,691
Items from Statement of Profit and Loss for the year ended	31.03.2015	31.03.2014
Total Revenue	-	-
Total Expenses	3,83,877	6,87,624
Loss for the year	(3,83,877)	(6,87,624)

INFORMATION PURSUANT TO STATUTORY AND OTHER REQUIREMENTS

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

(1) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING & OUTGO

(i) Conservation of Energy- The steps taken or impact on conservation of energy

Your company is installing following equipments for conservation of energy:

Electrostatic Precipitator, Chimney, Cooling Towers, Ash handling equipments, Ash Dyke, Ash water recirculation system, Effluent treatment plant, Dust extraction & suppression system, fire detection system, DM plant waste treatment system, Sewerage treatment plant & disposal, Environmental Lab equipment etc.

(ii) the steps taken by the company for utilizing alternate sources of energy: Provision of Solar lights in plants as well as Project Affected Villages

(iii) the capital investment on energy conservation equipments: Approx. 350 crore INR has been earmarked for the above mentioned equipments. During the period under review, there was no earning in the foreign exchange. The outgo in foreign exchange was INR 784,720,308 (USD 114,632 & Euro 10,238,797).

(2) Information on Number of Meetings of the Board held during the year:

During the year, six Meetings of the Board were held on 05.05.2014, 10.07.2014, 28.10.2014, 11.02.2015, 24.03.2015 and 31.03.2015. The attendance of Directors in these Meetings are as under:

Date of the Meeting/ Name of the Director	05.05.2014	10.07.2014	28.10.2014	11.02.2015	24.03.2015	31.03.2015
Shri S.C. Pandey, Chairman	Yes	Yes	Yes	Yes	Yes	Yes
Shri Sudhir Kumar Saxena, Director	Yes	Yes	Yes	NA	NA	NA

Date of the Meeting/ Name of the Director	05.05.2014	10.07.2014	28.10.2014	11.02.2015	24.03.2015	31.03.2015
Shri Sudhir Garg, Director	NA	NA	NA	Yes	Yes	Yes
Shri S. Roy, Director	Yes	Yes	Yes	NA	NA	NA
Shri K.S. Garbyal, Director	NA	NA	NA	No	Yes	No
Shri Sudhir Arya, Director	Yes	NA	NA	NA	NA	NA
Ms. Sangeeta Bhatia, Director	NA	No	Yes	Yes	No	Yes

NA indicates that the Director was not inducted or has ceased on the Board of the Company.

(3) Audit Committee

The Audit Committee of the Company comprises Shri S.C. Pandey, Shri Sudhir Garg and Ms. Sangeeta Bhatia, Directors.

During the year, two Meetings of the Committee were held on 05.05.2014 and 10.07.2014. The attendance of Directors in these Meetings are as under:

Date of the Meeting / Name of the Director	05.05.2014	10.07.2014
Shri S.C. Pandey	Yes	Yes
Shri Sudhir Kumar Saxena	Yes	Yes
Shri Sudhir Garg	NA	NA
Shri Sudhir Arya	Yes	NA
Ms. Sangeeta Bhatia	NA	Yes

NA indicates that the Director was not inducted or has ceased on the Board of the Company.

(4) Corporate Social Responsibility

Your Company constituted the Corporate Social Responsibility Committee of the Board on 11.02.2015 comprising Shri S.C. Pandey as Chairman and Shri Sudhir Garg and Ms. Sangeeta Bhatia, Directors as Members of the Committee. During the year, one Meeting of the Committee was held on 24.03.2015, which was attended by two Members except Ms. Sangeeta Bhatia.

The Company has formulated a Policy on CSR and has decided to undertake CSR activities through NTPC Limited (its Holding Company).

The average Net Profit/ (Loss) of the Company made during the three immediately preceding financial years worked out to ₹ (8,24,658), hence, no amount was required to be spent on CSR during the financial year 2014-15.

(5) During the year the Company undertook the activities under Resettlement & Rehabilitation Plan as a responsible corporate citizen in and around plant, details of which are covered under the Management Discussion and Analysis Report attached as Annex-I to this Report.

(6) Statutory Auditors

The Comptroller & Auditor General of India had appointed M/s N.C. Aggarwal & Co., Chartered Accountants as Statutory Auditors of the Company for the financial year 2014-15. The Statutory Auditors of the Company for the financial year 2015-16 are yet to be appointed by the Comptroller & Auditor General of India.

(7) Management comments on Statutory Auditors' Report

The Statutory Auditors of the Company have given an unqualified report on the accounts of the Company for the financial year 2014-15.

(8) Review of accounts by Comptroller & Auditor General of India

The Comptroller & Auditor General of India (C&AG), through letter dated 03.07.2015, has given 'Nil' comments on the financial statements of your Company for the year ended on 31.03.2015. As advised by the C&AG, the contents of letter dated 03.07.2015 are being placed with the report of the Statutory Auditors elsewhere in the Annual Report.

(9) Your Company, being subsidiary of NTPC, is covered under the Enterprise Risk Framework established by NTPC (Holding Co.). Details about risks with the Company are covered in the Management Discussion & Analysis Report which forms part of this Report and placed at Annex-I.

BHARTIYA RAIL BIJLEE COMPANY LIMITED

(10) Extract of Annual Return

Extract of Annual Return of the Company is annexed herewith as Annex- II to this Report.

(11) Performance Evaluation of the Directors and the Board

As required under the Companies Act, 2013, evaluation of performance of directors including that of the Independent Directors/ Board/ Committees is to be carried out either by the Board or by the Nomination and Remuneration Committee or by the Independent Directors.

In this regard, the Ministry of Corporate Affairs, through Notification dated 05.06.2015, has exempted the Government Companies from these provisions. As per the Articles of Association of BRBCL, all the Directors are nominated by NTPC and Ministry of Railways. The Directors nominated by NTPC or Ministry of Railways are being evaluated under a well laid down procedure for evaluation of Functional Directors & CMD as well as of Government Directors by Administrative/respective Ministry. Also, the performance of the Board of the Government Companies is evaluated during the performance evaluation of the MOU signed with the Government of India.

(12) Secretarial Audit

The Board has appointed M/s Agarwal S. & Associates, Company Secretaries, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is attached as Annex- III to this Report.

The Managements' replies on Secretarial Audit Report are as under:

Observations	Management's replies
During the financial year, the composition of the Board and Committees of the Board should be in compliance with the provisions of Section 149 of the Companies Act, 2013 with respect to appointment of Independent Directors.	The Company is a subsidiary of NTPC Limited, a Government Company, as such, it is a Government Company. Its Independent Directors shall be appointed by the Department of Public Enterprises. As per the Articles of Association of BRBCL, all the Directors are nominated by NTPC and Ministry of Railways. As such, NTPC (Holding Company) has requested the Department of Public Enterprises to allow NTPC and Ministry of Railways to nominate Independent Directors on the Board of BRBCL.
In terms of Section 203 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to appoint a Company Secretary.	The Company is in the process of appointing Company Secretary.

(13) Particulars of contracts or arrangements with related parties

During the period under review, the Company had not entered into any contract or arrangement with related parties.

Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

(14) Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future: NIL. Status of pending court cases/ arbitration cases as on 31.03.2015 are annexed with the Statutory Auditors' Report on the Financial Statements for the FY 2014-15.

(16) Adequacy of internal financial controls with reference to the financial statements: The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

(17) Particulars of Employees

As per provisions of section 197(12) of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every company is required to include a statement in the Board's Report giving details of remuneration received by the employee who was in receipt of remuneration of ₹ 60 lac or more, if employed throughout the year and details of remuneration received

by the employee who was in receipt of remuneration of ₹ 5 lac or more, if employed for part of the year.

However, as per notification dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government Companies are exempted from complying with provisions of Section 197 of the Companies Act, 2013. Therefore, such particulars have not been included as part of Directors' Report.

(18) Issue of Shares in the Financial Year:

During the year under review, the Company issued shares to NTPC and Ministry of Power. The details are as under:

Date of Allotment/ Name of Allottee	10.07.2014	11.02.2015	24.03.2015	31.03.2015
NTPC Limited	11,38,46,154 shares of ₹ 10/- each at par with existing equity holders	5,90,05,437 shares of ₹ 10/- each at par with existing equity holders	9,99,99,994 shares of ₹ 10/- each at par with existing equity holders	12,56,09,956 shares of ₹ 10/- each at par with existing equity holders
Ministry of Power	4,00,00,000 shares of ₹ 10/- each at par with existing equity holders	2,07,31,640 shares of ₹ 10/- each at par with existing equity holders	3,51,35,133 shares of ₹ 10/- each at par with existing equity holders	4,41,33,227 shares of ₹ 10/- each at par with existing equity holders

(19) No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

(20) Establishment of vigil mechanism/ whistle blower policy:

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

(21) The Company has not granted any loans, given any guarantee or made any investments under Section 186 of the Companies Act, 2013 during the year.

(22) The Company has not accepted any deposits during the year.

(23) The Company has no subsidiary or joint venture.

(24) No Presidential Directive was issued by the Government during the year under review.

(25) The Company has not declared any dividend during the year.

(26) Provision of Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2014-15 and of the profit of the company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the Annual Accounts on a going concern basis; and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BHARTIYA RAIL BIJLEE COMPANY LTD.

BOARD OF DIRECTORS

During the year, Shri Sudhir Arya and Shri S. Roy ceased to be the Director of the Company with effect from 12.05.2014 and 07.11.2014 respectively consequent upon withdrawal of their nomination from NTPC. Shri Sudhir Kumar Saxena ceased to be the Director of the Company with effect from 09.02.2015 consequent upon withdrawal of their nomination from Ministry of Railways.

Ms. Sangeeta Bhatia, General Manager, NTPC nominated by NTPC was appointed by the Board as Director of the Company w.e.f. 10.07.2014.

NTPC nominated Shri K.S. Garbyal, Regional Executive Director, NTPC as Director of the Company. The Board appointed him as the Director of the Company w.e.f. 04.12.2014.

Ministry of Railways had nominated Shri Sudhir Garg, ED (EEM), Railway Board as the Director of the Company. The Board appointed him as the Director of the Company w.e.f. 11.02.2015.

The Board wishes to place on record its deep appreciation for the valuable services rendered by Shri Sudhir Arya, Shri S. Roy and Shri Sudhir Kumar Saxena during their association with the Company.

As per the provisions of the Companies Act, 2013, Ms. Sangeeta Bhatia, Director shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

ACKNOWLEDGEMENT

Your Directors acknowledge with deep sense of appreciation for the co-operation extended by Ministry of Power and Ministry of Railways.

Your Directors also convey their gratitude to the Holding Company i.e. NTPC Ltd., Power Finance Corporation Limited, Rural Electrification Corporation Limited, auditors, bankers, contractors, vendors and consultants of the Company.

We wish to place on record our appreciation for the untiring efforts and contributions by the employees at all levels to ensure that the Company continues to grow and excel.

For and on behalf of the Board of Directors

(S.C. Pandey)
Chairman

Place : New Delhi

Date : 28th July, 2015

Annex-1 to the Directors' Report

MANAGEMENT DISCUSSION AND ANALYSIS

RE - ENERGISING THE POWER SECTOR

It has been a tumultuous year for power sector marked by several ups and downs. The cancellation of 204 coal blocks due to Hon'ble Supreme Court's decision followed by an aggressive e-auction of the coal mines, a new scheme of reverse e-auction of gas for revival of stranded and partly - stranded gas power plants, Government of India (GoI) in RE - Invest 2015 gave a push to the world's largest renewable capacity expansion program being run in India. These measures coupled with reforms in the loss-laden electricity distribution sector, have been aimed to re-energise the sector, however, the road that lies ahead of us is dotted with innumerable challenges.

GROWTH ALONG THE POWER VALUE CHAIN

The GoI has accelerated measures to resolve the issues confronting the sector. Some of the highlights of the year are as under:



Highest coal production growth in 23 years - 8.3%



Highest ever Capacity Addition ~22.57 GW (excluding RES*)



Highest ever increase in transmission lines & sub station capacity (22,101 ckm and 65,554 MVA respectively)



₹1.09 lakh crore investment in sub-transmission and distribution through DDUGJY and IPDS



Per Capita Consumption crosses 1000 units**; Lowest ever energy deficit - 3.6%

*Renewable Energy Sources; Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY) ; Integrated Power Development Scheme (IPDS) ; ** Provisional. (Source : Ministry of Power (MoP) ; Central Electricity Authority (CEA))

Power Industry:

Capacity and Generation

The addition to total installed capacity during financial year 2014-15 was ~26464 MW (including RES), a growth of 10.8% over previous year installed capacity. The capacity addition excluding RES 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 (Source : CEA , MoP).

Segmentation of Generation and Capacity

Installed Capacity (MW)

Ownership	11th Plan end	% Mix	31.03.2015	% Mix
State	85918.65	43	95078.84	35
Private*	54275.75	27	104122.17	38
Central	59682.63	30	72521.16	27
Total	199877.03	100	271722.17	100

*excluding captive capacity; (Source: CEA)

Electricity generation has crossed 1 trillion units and registers a growth of 8.4%, the highest in 20 years. (Source : CEA , MoP)

Generation (BUs)

Fuel	2014-15	% Mix	Centre	State	Private	Bhutan
Thermal	878.32	84	308.05	299.26	271.01	-
Nuclear	36.10	3	36.10	-	-	-
Hydro	129.24	12	50.96	67.54	10.74	-
Bhutan import	5.01	1	-	-	-	5.01
Total	1048.67	100	395.11	366.80	281.75	5.01
% Mix (sector wise)			38	35	27	0

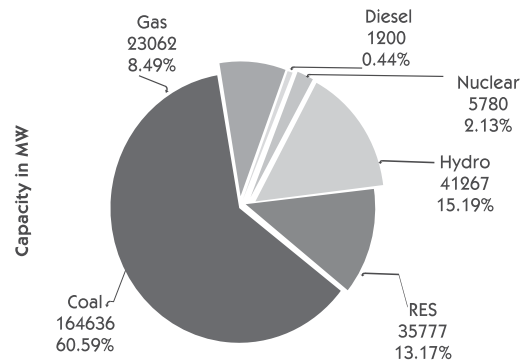
(Source: CEA)

While private sector has almost doubled the capacity in 3 years and increased its share to 38%, however, it has the least share of 27% in actual generation. The all India Plant Load Factor (PLF) of thermal capacity for financial year 2014-15 has dropped to 64.46% from 65.56% in financial year 2013-14. (Source : CEA). The expected rise in demand due to industrial and GDP growth are likely to improve PLFs.

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.

Fuel

Coal is the mainstay of power sector in India. The fuel mix of installed capacity as on 31.03.2015 is charted below:



(Source: CEA); RES (Ministry of New and Renewable Energy (MNRE))

Demand, Supply and Consumption Position

The energy requirement registered a growth of 6.5% and peak demand grew at 9.0% during the financial year 2014-15. The energy and peak deficit during financial year 2014-15 was 3.6% and 4.7% and is likely to go further down to 2.1% and 2.6% respectively, despite very high shortages likely to be experienced by southern region (Source : Load Generation and Balance Report 2015-16) . The demand is believed to be suppressed due to poor financial health of discoms who find supplying power at existing tariffs unviable.

The energy requirement will go up once the latent demand is unlocked. Industrial consumption is the maximum and most remunerative in India, growth in industrial activity will fuel power demand in the country. Further, still large population to the tune of ~28 crore are without access to power. The per capita consumption of power in India still remains abysmal at 1010 units (provisional) for financial year 2014-15. GoI has also set a target to provide 24x7 Power for all by 2019 (Source : CEA; MoP). Given the above scenario the long term outlook for power demand remains strong.

The power supply position in Eastern Region and Bihar during 2014-15 and anticipated power supply position in Eastern Region and Bihar during 2015-16 is as under:

Particulars	Year 2014-15			Year 2015-16 (Anticipated)		
	Req (MU)	Avail (MU)	Surplus/ (Deficit)	Req (MU)	Avail (MU)	Surplus/ (Deficit)
Energy Requirement						
Eastern Region	1,19,082	1,17,155	(1,927 MUs) (1.6%)	1,24,610	1,27,066	2,455 MUs 2.0%
Bihar	19,294	18,759	(535 MUs) (2.8%)	19,215	18,318	(897 MUs) (4.7%)
Peak Requirement						
Eastern Region	17,040	16,932	(108 MUs) (0.6%)	18,507	19,358	851 MUs 4.6%
Bihar	2,994	2,874	(120 MUs) (4.0%)	3,250	2,543	(707 MUs) (21.8%)

From the above, it is evident that there have been energy and peak shortages in the Eastern Region as well as in Bihar during the year 2014-15. In the year 2015-16, though sufficient energy is available in the Eastern Region, energy and peak shortages still remains in Bihar.

SWOT ANALYSIS
Strength/ Opportunity

The Company is backed by strong promoters i.e. Ministry of Railways and NTPC Limited. NTPC is the consultant for the Company which is having wide experience in engineering and management expertise from planning to commissioning and operating power plants. Indian Railways, being a big transport organization, consumes about 2% of the total power generation of the country which is likely to go up with the current pace of electrification. Presently, the peak power requirement of IR is about 4000 MW which is being fed to the electric traction network of IR through its odd 400 traction sub stations spread across the length and breadth of the country. Out of this requirement, Nabinagar power plant having 1000 MW capacity will cater the captive need of 900 MW of Indian Railways and 100 MW will be given to the Bihar Government. Thus BRBCL has good future prospects of dealing with the organisation like IR having sound financial fundamentals.

The Company is able to acquire major portion of land for establishing the project. Bharat Heavy Electricals Limited is the main plant contractor. The Company has tied up loan with Power Finance Corporation Limited and with Rural Electrification Limited for meeting its debt portion. The Company has coal linkage for 4X250 MW capacity.

Weakness/ Threats:

The major threat the company is facing in acquiring parts of land. Law and order situation and project security of the project has been also a concern for the Company.

RISKS AND CONCERN

The risk to which company is exposed and the initiatives taken by the company to mitigate such risks are given below:

The project is delayed as there is delay in the land acquisition due to which contractors are demanding compensation.

Hazard risks are related to natural hazards arising out of accidents and natural calamities like fire, earthquake etc.

Operational risks are associated with systems, processes & people and cover areas such as succession planning, attrition and retention of people, operational failure or interruption, disruption in supply chain, failure of research & development facilities and faulty application of information technology and non-compliance of regulatory provisions.

As the Company is in construction phase of project, it is not exposed to all such operational risks.

INTERNAL CONTROL

The Company has robust internal systems and processes for efficient conduct of business. The Company is complying with relevant laws and regulations. It is following delegation of powers as is being followed in NTPC Limited. The accounts are being prepared in accordance with the Accounting Standards issued by Institute of Chartered Accountants of India from time to time and as per the guidelines issued from NTPC Limited. The Company has implemented SAP in all modules. It is helping the Company a lot in retrieving data and maintaining systematic backup.

In order to ensure that all checks and balances are in place and all internal systems are in order, regular and exhaustive internal audits are conducted by experienced firm of Chartered Accountants in coordination with Internal Audit Department of NTPC Limited. The Company has constituted an Audit Committee to oversee the financial performance of the company. The scope of this Committee includes compliance with Internal Control Systems.

FINANCIAL DISCUSSION AND ANALYSIS

During the financial year 2014-15, the Company had issued 53,84,61,541 equity shares of Rs. 10/- each to NTPC and Ministry of Railways in the ratio of 74:26. The share capital as on 31.03.2015 stood at ₹ 15,84,61,38,500. It was ₹ 10,46,15,23,090 on 31.03.2014. The Company had withdrawn cumulative loan of ₹ 29,98,17,23,362 upto the end of FY 2014-15 as against ₹ 25,37,18,88,070 upto FY 2013-14 from PFC and REC. Borrowing costs capitalized during the year was ₹ 3,25,45,29,853 .

The tangible assets after depreciation amounted to ₹ 4,00,37,37,916 as at 31.03.2015 as against ₹ 3,69,57,83,565 as at 31.03.2014. The tangible assets included capital expenditure of ₹ 21,75,15,592 incurred on assets not owned by the Company.

The intangible assets after depreciation amounted to ₹ 1,04,801 and ₹ 1,68,847 as at 31.03.2015 and 31.03.2014 respectively. The depreciation transferred to Expenditure During Construction (EDC) for the financial year 2014-15 was ₹ 4,06,72,965. The capital work-in-progress stood at ₹ 44,80,88,36,147 and ₹ 36,16,84,29,928 as at 31.03.2015 and 31.03.2014 respectively.

As the project is in construction stage, the income and expenses were transferred to EDC account. The expenses (net of income) transferred to EDC together with IDC amounted to ₹ 4,05,65,79,445. The expenses incurred on training & recruitment was charged to statement of profit and loss. The total loss charged to statement of profit and loss was ₹ 3,83,877 which was transferred to reserves and surplus. The net loss for the financial year 2013-14 was ₹ 6,87,624.

HUMAN RESOURCE

Presently, the Company has total strength of 128 employees (including 1 Executive Trainees), out of which 127 employees have been deputed from the Holding Company i.e. NTPC Limited and 1 employee has been deputed from Ministry of Railways. As a socially responsible and socially conscious organization, the Company has deployed 24 SC employees, 10 ST employees and 26 OBC employees out of the total strength of 127 employees deputed from NTPC.

The Company is paying Performance Related Pay to its employees in order to boost their morale and also extending the facility of retention of family anywhere in India. Quarters have been hired at Dalmianagar as a Temporary Township until Permanent Township at the site is constructed. Further to this, various welfare measure is also undertaken for employee morale. "Tvaran", a sports meet was organized for the employee and their family members. Beside this, ladies club, executive club is also being run.

The employee benefits expense (salaries & wages, contribution to provident & other funds and staff welfare expenses) was ₹ 23,22,88,294 for the financial year 2014-15, which have been transferred to expenditure during construction account as the project is in construction stage. It included

BHARTIYA RAIL BIJLEE COMPANY LTD.

₹ 4,24,31,940 debited by the Holding Company towards leave, superannuation and other benefits in respect of employees posted on secondment basis from the Holding Company.

REHABILITATION AND RESETTLEMENT ACTIVITIES

Your Company has taken number of steps towards rehabilitation and resettlement like infrastructure developments of approaches/roads in villages - 10.5 Km , providing solar street light - 99 nos., installation of drinking water hand pumps in project affected villages - 15 nos., providing drinking water through tankers during summer in nearby villages, distribution of tricycle - 15 nos.

OUTLOOK

The company's outlook is very bright. It will generate sufficient revenue for the growth and development of the company as well as of the nearby community at large once the plant becomes operational.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis, describing objectives, projections and estimates, are forward-looking statements and progressive, within the meaning of applicable security laws and regulations. Actual results may vary from those expressed or implied, depending upon economic condition, Government policies and other incidental/ related factors.

For and on behalf of the Board of Directors

(S.C. Pandey)
Chairman

Place : New Delhi

Date : 28th July, 2015

Annexure - II

Form No. MGT-9 Extract of Annual Return

as on the financial year ended on March 31, 2015

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : U40101DL2007PLC170661
 ii) Registration Date : November 22, 2007
 iii) Name of the Company : Bhartiya Rail Bijlee Company Limited
 iv) Category / Sub-Category of the Company : Public Company / Government Company
 v) Address of the Registered office and contact details : NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110003
 Ph. No.: 011-2436 0071, Fax No.: 011-24360241, E-mail: ruchimittal@ntpc.co.in
 vi) Whether listed company Yes / No : No
 vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/Services	NIC code of the Product/service	% to total turnover of the Company
1	Generation of Electricity	35102	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S.No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
1	NTPC Limited Address: NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110003	L40101DL1975GOI007966	Holding	74%	2 (46) of the Companies Act, 2013

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
a) Individual									
i) As Nominee of NTPC	-	500	500	0.00	-	500	500	0.00	-
ii) As Nominee of Ministry of Railways	-	100	100	0.00	-	100	100	0.00	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
NTPC Limited	-	77,41,51,809	77,41,51,809	74.00	-	1,17,26,13,350	1,17,26,13,350	74.00	-
Ministry of Railways	-	27,19,99,900	27,19,99,900	26.00	-	41,19,99,900	41,19,99,900	26.00	-

BHARTIYA RAIL BIJLEE COMPANY LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% Of Total shares	Demat	Physical	Total	% Of Total shares	
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	-	-	-	-	-	-	-	-
(2) Foreign									
a) NRIs- individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	-	1,04,61,52,309	1,04,61,52,309	100%	-	1,58,46,13,850	1,58,46,13,850	100%	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	-	-	-	-	-	-	-	-	-
2. Non-institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	1,04,61,52,309	1,04,61,52,309	100%	-	1,58,46,13,850	1,58,46,13,850	100%	-

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	NTPC Limited	77,41,51,809	74.00	-	1,17,26,13,350	74.00	-	-
2.	Ministry of Railways	27,19,99,900	26.00	-	41,19,99,900	26.00	-	-
3.	Nominees of NTPC	500	0.00	-	500	0.00	-	-
4.	Nominees of Ministry of Railways	100	0.00	-	100	0.00	-	-

BHARTIYA RAIL BIJLEE COMPANY LTD.

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

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,04,61,52,309	100.00	1,04,61,52,309	100.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
(i)	Allotment made on 10.07.2014	15,38,46,154	100.00	1,19,99,98,463	100.00
(ii)	Allotment made on 11.02.2015	7,97,37,077	100.00	1,27,97,35,540	100.00
(iii)	Allotment made on 24.03.2015	13,51,35,127	100.00	1,41,48,70,667	100.00
(iv)	Allotment made on 31.03.2015	16,97,43,183	100.00	1,58,46,13,850	100.00
	At the End of the year	1,58,46,13,850	100.00	1,58,46,13,850	100.00

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

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

(v) Shareholding of Directors and Key Managerial Personnel:

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Shri S.C. Pandey Chairman & Nominee of NTPC				
	At the beginning of the year	100	0.00	100	0.00
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus /sweat equity etc):	Nil	0.00	Nil	0.00
	At the End of the year	100	0.00	100	0.00
2.	Shri K.S. Garbyal Director & Nominee of NTPC				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus /sweat equity etc): Transfer from Shri S. Roy to Shri K.S. Garbyal on 04.12.2014	100	0.00	100	0.00
	At the End of the year	100	0.00	100	0.00
3.	Ms. Sangeeta Bhatia Director & Nominee of NTPC				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus /sweat equity etc): Transfer from Shri Sudhir Arya to Ms. Sangeeta Bhatia on 10.07.2014	100	0.00	100	0.00
	At the End of the year	100	0.00	100	0.00

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	25,37,18,88,070	-	-	25,37,18,88,070
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	34,67,53,215	-	-	34,67,53,215
Total (i + ii + iii)	25,71,86,41,285	-	-	25,71,86,41,285
Change in Indebtedness during the financial year				
• Addition	4,71,02,63,395	-	-	4,71,02,63,395
• Reduction	-	-	-	-
Net Change	4,71,02,63,395	-	-	4,71,02,63,395
Indebtedness at the end of the financial year				
i) Principal amount	29,98,17,23,362	-	-	29,98,17,23,362
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	44,71,81,318	-	-	44,71,81,318
Total (i + ii + iii)	30,42,89,04,680	-	-	30,42,89,04,680

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL*

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

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

* The Company has no MD / WTD / Manager

B. Remuneration to other directors**:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2.	Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B) = (1 + 2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	Not Applicable				

** The Company has no Independent Director. Non-Executive Directors get remuneration from their parent Organisations.

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

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

The Company had no Key Managerial Personnel. However, in 2015-16 it had redesignated its CEO and Head of Finance as CEO and CFO of the Company respectively. The Company is in the process of appointing Company Secretary

BHARTIYA RAIL BIJLEE COMPANY LTD.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on behalf of Board of Directors

(S.C. Pandey)
Chairman

Place: New Delhi
Dated: 28th July, 2015

Annexure - III

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

{Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,

The Members,

BHARTIYA RAIL BIJLEE COMPANY LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bhartiya Rail Bijlee Company Limited** (hereinafter called BRBCL/the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of BRBCL's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial period ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; - **Not Applicable**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; - **Not Applicable**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **Not Applicable**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;- **Not Applicable**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; - **Not Applicable**
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not Applicable**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - **Not Applicable**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not Applicable**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and - **Not Applicable**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not Applicable**
- (vi) Compliances/ processes/ systems under other applicable Laws to the Company are being verified on the basis of periodic certificate submitted to the Board of Directors of the Company.

I have also examined compliance with the applicable clauses of the following:

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India (Not applicable for the Audit period).
- (ii) The Listing Agreement - Not Applicable.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above

BHARTIYA RAIL BIJLEE COMPANY LIMITED

subject to the following observations:

(i) **Observation 1:**

During the financial year, the composition of the Board and Committees of the Board should be in compliance with the provisions of Section 149 of the Companies Act, 2013 with respect to appointment of Independent Directors.

(ii) **Observation 2:**

In terms of Section 203 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to appoint a Company Secretary.

I further report that the Board of Directors of the Company is not duly constituted due to non-appointment of Independent Directors on the Board of the Company. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

The Company was required to constitute Nomination and Remuneration committee in terms of Section 178 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014. However, the Company in its Board Meeting held on 25.06.2015 had constituted Nomination and Remuneration committee.

The Company was required to appoint CEO & CFO in terms of Section 203 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. However, the Company in its Board Meeting held on 25.06.2015 has re-designated its CEO and Head of Finance as CEO & CFO respectively.

Generally, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and Company is in process of reviewing & strengthening the same.

I further report that during the audit period, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws.

For Agarwal S. & Associates,
Company Secretaries,

(Sachin Agarwal)

FCS No. : 5774

C.P No. : 5910

Place: New Delhi

Date: July 13, 2015

This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

Annexure A"

To,

The Members,

BHARTIYA RAIL BIJLEE COMPANY LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Agarwal S. & Associates,
Company Secretaries,

(Sachin Agarwal)

FCS No. : 5774

C.P No. : 5910

Place: New Delhi

Date: July 13, 2015

BHARTIYA RAIL BIJLEE COMPANY LTD.

BHARTIYA RAIL BIJLEE COMPANY LIMITED BALANCE SHEET AS AT

Particulars	Note	Amount in ₹	
		31.03.2015	31.03.2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	15,846,138,500	10,461,523,090
Reserves and surplus	3	(7,976,838)	(7,592,961)
		15,838,161,662	10,453,930,129
Share Application money pending allotment	4	-	606,615,910
Non-current liabilities			
Long-term borrowings	5	29,981,723,362	25,371,888,070
Other long term liabilities	6	3,280,225,616	2,937,283,449
		33,261,948,978	28,309,171,519
Current liabilities			
Trade payable	7	2,314,845	339,844
Other current liabilities	8	2,170,286,866	2,535,311,311
Short-term provisions	9	1,101,805,646	1,101,805,646
		3,274,407,357	3,637,456,801
TOTAL		52,374,517,997	43,007,174,359
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	4,003,737,916	3,695,783,565
Intangible assets	10	104,801	168,847
Capital work-in-progress	11	44,808,836,147	36,168,429,928
Other non-current assets	12	-	58,659,064
Long-term loans and advances	13	2,482,463,539	3,008,620,264
		51,295,142,403	42,931,661,668
Current assets			
Cash and bank balances	14	937,784,215	74,539,825
Short-term loans and advances	15	127,812,128	36,728
Other current assets	16	13,779,251	936,138
		1,079,375,594	75,512,691
TOTAL		52,374,517,997	43,007,174,359

Significant accounting policies 1

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

For and on behalf of the Board of Directors

(K K Singh) (S.Garg) (S.C.Pandey)
Chief Executive Officer Director Chairman

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

For N. C. Aggarwal & Co.
Chartered Accountants
Firm Reg. No. 003273N

(G. K. Aggarwal)
Partner
M No. 086622

Place : New Delhi
Dated : 8th May 2015

BHARTIYA RAIL BIJLEE COMPANY LIMITED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

Particulars	Note	Amount in ₹	
		31.03.2015	31.03.2014
Other income	17	-	-
Total revenue	-	-	-
Expenses			
Employee benefits expense	18	-	-
Finance costs	19	-	-
Administration & other expenses	20	383,877	687,624
Total expenses		383,877	687,624
Profit / (Loss) before tax		(383,877)	(687,624)
Total Tax Expense		-	-
Profit / (Loss) for the year		(383,877)	(687,624)
Significant accounting policies	1		
Expenditure During Construction Period	21		
Earnings per equity share (Par value of ₹ 10/- each)	27		
Basic		(0.00)	(0.00)
Diluted		(0.00)	(0.00)

The accompanying notes form an integral part of these financial statements. There are no exceptional or extraordinary items in the above periods.

For and on behalf of the Board of Directors

(K K Singh) (S.Garg) (S.C.Pandey)
Chief Executive Officer Director Chairman

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

For N. C. Aggarwal & Co.
Chartered Accountants
Firm Reg. No. 003273N

(G. K. Aggarwal)
Partner
M No. 086622

Place : New Delhi
Dated : 8th May 2015

BHARTIYA RAIL BIJLEE COMPANY LIMITED
**BHARTIYA RAIL BIJLEE COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015**

Amount in ₹

For the year ended March 31,	2015	2014
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss as per statement of Profit and Loss	(383,877)	(687,624)
Adjustment for		
Increase/(Decrease) in Current liabilities	(363,049,444)	810,464,094
(Increase)/Decrease in Other Current Assets	(12,843,113)	588,599
(Increase)/Decrease in Loans & Advances	(124,625,570)	53,204
Cash generated from operations	(500,518,127)	811,105,897
Direct taxes paid	(3,149,829)	1,339,684
Net Cash from Operating Activities-A	(504,051,833)	811,757,957
B CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets and CWIP	(5,615,704,652)	(12,502,453,226)
Long term loan and advances	526,156,725	(511,514,791)
Net Cash used in Investing Activities -B	(5,089,547,926)	(13,013,968,017)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital/ Share capital deposit	4,777,999,500	3,353,500,000
Proceeds from Long Term Borrowings	4,952,777,459	11,155,603,117
Interest paid	(3,273,932,809)	(2,378,840,775)
Net Cash flow from Financing Activities -C	6,456,844,150	12,130,262,342
D Net Increase/(Decrease) in Cash and Cash equivalents(A+B+C)	863,244,390	(71,947,718)
E Cash and Cash equivalents(Opening Balance)	74,539,825	146,487,542
F Cash and Cash equivalents (Closing Balance) [D+E]	937,784,215	74,539,825

NOTES : 1. Cash and Cash Equivalents consists of balance with Banks

2. Figures for Previous year have been regrouped/rearranged wherever necessary.

For and on behalf of the Board of Directors

(K K Singh) Chief Executive Officer	(S. Garg) Director	(S. C. Pandey) Chairman
--	-----------------------	----------------------------

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

 For N. C. Aggarwal & Co.
Chartered Accountants
Firm Reg. No. 003273N

 (G. K. Aggarwal)
Partner
M No. 086622

 Place : New Delhi
Dated : 8th May 2015

 Notes to the financial statements for the year ended 31st March 2015

1. Significant Accounting Policies-2014-15
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 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. 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 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.

D. 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.

E. 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 long term foreign currency monetary items are adjusted in carrying cost of related assets.

BHARTIYA RAIL BIJLEE COMPANY LTD.

4. Other exchange differences are recognised as income or expense in the period in which they arise.

F. Borrowing costs

Borrowing costs attributable to the fixed assets during construction, 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.

G. Inventories

- Inventories are valued at the lower of, cost determined on weighted average basis, and net realisable value.
- The diminution in the value of obsolete, unserviceable and surplus stores and spares is ascertained on review and provided for.

H Income recognition

- 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.
- Scrap other than steel scrap is accounted for as and when sold.
- Other insurance claims are accounted for based on certainty of realisation.

I Expenditure

1 Depreciation/amortisation

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

a) Kutcha roads	2 years
b) Enabling works - residential buildings - internal electrification of residential buildings. - non residential buildings including their internal electrification, water supply, sewerage & drainage works, railway sidings, aerodromes, helipads and airstrips.	15 years 10 years 5 years
c) Personal computers & laptops including peripherals	3 years
d) Photocopiers, fax machines, water coolers and refrigerators	5 years
e) Temporary erections including wooden structures	1 year

- 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.
- Assets costing up to ₹ 5000/- are fully depreciated in the year of acquisition.
- 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.
- 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.

- Where the life and/or efficiency of an asset is increased due to renovation and modernisation, the expenditure thereon along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.
- Machinery spares which can be used only in connection with an item of plant and machinery and there use is expected to be irregular, are capitalised and fully depreciated over the residual useful life of the related plant and machinery.
- Capital expenditure on assets not owned by the company referred in policy C-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.

2 Other expenditure.

- Expenses on ex-gratia payments under voluntary retirement scheme, training & recruitment and research and development are charged to revenue in the year incurred.
- Prepaid expenses and prior period expenses/income of items of Rs. 100,000/- and below are charged to natural heads of accounts.

J. Employee benefits

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

K. 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.

L. Cash flow statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) 3 on 'Cash Flow Statements'.

M. Taxes on income

Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws.

Deferred tax is accounted at the current rate of tax to the extent of temporary timing differences that originate in one Year and are capable of reversal in one or more subsequent Years. However, no deferred tax asset is created where there is no virtual certainty as to the sufficient future taxable profit.

BHARTIYA RAIL BIJLEE COMPANY LIMITED

2. Share capital

As at	Amount in ₹	
	31.03.2015	31.03.2014
Equity Share Capital		
Authorised		
1606,000,000 Equity shares of face value of ₹10/- each, (previous year 1606,000,000 Equity shares of face value of ₹10/- each)	16,060,000,000	16,060,000,000
Issued, subscribed and fully paid up		
1,584,613,850 Equity shares of face value of ₹10/- each (Previous year 1,046,152,309 Equity shares of face value of ₹10/- each)	15,846,138,500	10,461,523,090
Total :	15,846,138,500	10,461,523,090

a) During the year, the company has issued 538,461,541 Equity shares.

b) Number of Equity Shares

	%	31.03.2015	31.03.2014
Opening Balance as on			
NTPC Ltd	74	774,152,309	509,460,000
Min. on Railways	26	272,000,000	179,000,000
Total		1,046,152,309	688,460,000
Issued during the year			
NTPC Ltd	74	398,461,541	264,692,309
Min. on Railways	26	140,000,000	93,000,000
Total		538,461,541	357,692,309
Closing Balance as on			
NTPC Ltd	74	1,172,613,850	774,152,309
Min. on Railways	26	412,000,000	272,000,000
Total		1,584,613,850	1,046,152,309

c) The Company has only one class of equity shares having a par value of ₹10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time, and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

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

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
NTPC Ltd. and their nominees	1,172,613,850	74	774,152,309	74
Ministry of Railways and their nominees	412,000,000	26	272,000,000	26

3. Reserves and surplus

As at	Amount in ₹	
	31.03.2015	31.03.2014
Surplus in the statement of profit and loss		
As per last balance sheet	(7,592,961)	(6,905,337)
Add: Loss for the year from statement of profit and loss	(383,877)	(687,624)
Net surplus	(7,976,838)	(7,592,961)
Total	(7,976,838)	(7,592,961)

4. Share Application Money Pending For Allotment

As at	Amount in ₹	
	31.03.2015	31.03.2014
Amount received for allotment and is pending for allotment		
Received from NTPC Ltd and	-	606,615,910
Received from Ministry of Railways	-	-
Total	-	606,615,910

1. 606,615,91 Equity Shares of ₹ 10/- each had been issued against the Shares application money during 2014-15.

5. Long-term borrowings

As at	Amount in ₹	
	31.03.2015	31.03.2014
Term loans		
From Financial Institutions		
Secured		
Rupee loans	29,981,723,362	25,371,888,070
Total	29,981,723,362	25,371,888,070

Details of Securities

a) Secured by Equitable mortgage/hypothecation of all present and future fixed and movable assets of Nabinagar TPP (4x250 MW), as first charge, ranking pari passu with charge created with PFC for 60% of total debts and balance 40% with REC.

b) Interest on term loan is payable at the applicable three year "AAA" Bond yield rate plus agreed margin. The Moratorium period for the project is up to 6 months from the COD. The facility is available for a period of 48 months from the date of documentation or till the actual completion of the project plus 06 months (moratorium period), whichever is earlier. The repayment schedule is for a period of 15 years, beginning after 06 months from COD, in 60 quarterly instalments.

c) There has been no defaults in repayment of interest on loan as at the end of the year.

6. Other long-term liabilities

As at	Amount in ₹	
	31.03.2015	31.03.2014
Deferred foreign currency fluctuation Liability	12,141,232	-
Other liabilities		
Payable for capital expenditure	3,268,084,384	2,937,283,449
Total	3,280,225,616	2,937,283,449

7. Trade Payables

As at	Amount in ₹	
	31.03.2015	31.03.2014
For goods and services	2,314,845	339,844
Total	2,314,845	339,844

8. Other current liabilities

As at	Amount in ₹	
	31.03.2015	31.03.2014
Interest accrued but not due on borrowings	447,181,318	346,753,215
Payable for capital expenditure	1,643,929,969	2,054,140,549
Other payables		
Tax deducted at source and other statutory dues	6,017,059	24,784,828
NTPC Ltd	41,839,132	49,103,615
Ministry of Railways	1,302,803	1,302,803
Payable to employees	18,297,084	19,444,583
Others*	11,719,501	39,781,718
Total	2,170,286,866	2,535,311,311

*Other payables - others include stale cheque, administration expenses payable and amount payable for travelling etc.

9. Short term provisions

As at	Amount in ₹	
	31.03.2015	31.03.2014
Provision for obligations incidental to land acquisition		
Opening Balance	1,101,763,007	1,103,378,421
Additions during the year	-	-
Amount paid during the year	-	1,615,414
Amount reversed during the year	-	-
Closing balance	1,101,763,007	1,101,763,007
Provision for shortage in fixed asset pending investigation		
Opening Balance	42,639	-
Additions during the year	-	42,639
Amount paid during the year	-	-
Amount reversed during the year	-	-
Closing balance	42,639	42,639
Total	1,101,805,646	1,101,805,646

BHARTIYA RAIL BIJLEE COMPANY LTD.

10. Tangible assets and Intangible assets

Amount in ₹

	Gross Block			As at 31.03.2015	Depreciation/Amortisation			Net Block		
	As at 01.04.2014	Additions	Deduction/ Adjustment		Upto 01.04.2014	For the year	Deduction/ Adjustment	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Land :										
(including development expenses)										
Freehold	3,361,886,937	-	-	3,361,886,937	-	-	-	-	3361886937	3,361,886,937
Roads, bridges, culverts & helipads	534,632	-	-	534,632	481,169	-	-	481,169	53463	53,463
Building - Others	59,523,462	-	-	59,523,462	3,221,682	15,615,269	-	18,836,951	40686511	56,301,780
Temporary erection	19,340,012	-	-	19,340,012	18,887,689	452,323	-	19,340,012	-	452,323
Water supply, drainage & sewerage system	527,455	-	-	527,455	173,118	90,406	-	263,524	263931	354,337
Plant and equipment	1,355,775	346,216,367	-	347,572,142	338,980	18,241,485	-	18,580,465	328991677	1,016,795
Furniture and fixtures	17,396,364	1,332,008	-	18,728,372	3,890,388	1,560,312	-	5,450,700	13277673	13,505,976
Office equipment	7,325,591	1,159,647	-	8,485,237	2,573,679	796,282	(12,110)	3,382,071	5103166	4,751,912
EDP, WP machines and satcom equipment	9,179,658	8,556,258	-	17,735,916	4,194,332	897,783	(3,065,305)	8,157,420	9578496	4,985,326
Construction equipments	19,442,887	-	-	19,442,887	7,331,819	1,859,561	-	9,191,380	10251507	12,111,068
Electrical Installations	16,256,800	-	-	16,256,800	2,329,682	857,783	-	3,187,465	13069335	13,927,118
Communication Equipments	3,284,113	441,537	-	3,725,650	433,662	232,360	-	666,022	3059628	2,850,451
Laboratory and workshop equipments	17,747	-	-	17,747	17,747	-	-	17,747	-	-
Capital expenditure on assets not owned by the Company	223,586,080	-	6,070,488	217,515,592	-	-	-	-	217515592	223,586,080
Total	3,739,657,514	357,705,816	6,070,488	4,091,292,842	43,873,947	40,603,564	(3,077,415)	87,554,926	4003737916	3,695,783,565
Previous year	3,586,156,684	153,500,829	-	3,739,657,513	31,705,897	12,168,051	-	43,873,948	4003737916	3,695,783,565

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

	Gross Block	Depreciation/Amortisation
Retirement of assets		

a) 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.

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 in the books of the Company. The final AS-10 'Property, Plant & Equipment' is yet to be issued by ICAI.

Pending receipt of communication from ICAI regarding the review of opinion & notification of the Revised AS-10, existing treatment has been continued as per the relevant accounting policy.

b) The borrowing costs capitalised during the year ended 31st March 2015 is ₹ 3,254,529,853 (previous year ₹ 2,366,402,011). 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:

Disclosure on status of Mutation of Land

Private land in possession	(in acre)	1311.2932
Private land - Mutation complete	(in acre)	1150.6639
Private land - Mutation not yet complete	(in acre)	160.6293
Govt. land in Possession	(in acre)	159.9150
Total Land in possession	(in acre)	1471.2082

Details of exchange difference and borrowing cost included in Fixed assets / CWIP

	For the year ended 31 st March 2015		For the year ended 31 st 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
Building:				
Main Plant		338,951,894		263,702,109
Others		41,416,679		237,289,270
Plant & Machinery	(59,184,292)	2,664,995,568	152,823,482	1,721,103,538
MGR Track and Signalling system		75,010,129		51,674,578
Electrical Installation		133,017,501		92,005,386
Others including pending allocation		1,138,083		627,130
	(59,184,292)	3,254,529,853	152,823,482	2,366,402,011

BHARTIYA RAIL BIJLEE COMPANY LIMITED
Intangible Assets

Amount in ₹

	Gross Block				Depreciation/Amortisation				Net Block	
	As at 01.04.2014	Additions	Deduction/ Adjustment	As at 31.03.2015	Upto 01.04.2014	For the year	Deduction/ Adjustment	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Software	1,201,867	5,355	-	1,207,222	1,033,020	69,401	-	1,102,421	104801	168,847
Total	1,201,867	5,355	-	1,207,222	1,033,020	69,401	-	1,102,421	104801	168,847
Previous year	1,022,208	179,659	-	1,201,867	860,439	172,581	-	1,033,020	-	168,847

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

	31.03.2015	31.03.2014
Transfer to EDC	₹ 40,672,965	12,340,631
	₹ 40,672,965	12,340,632

11. Capital work-in-progress

Amount in ₹

	As at 01.04.2014	Addition	Deduction/ Adjustment	Capitalised	As at 31.03.2015
Development of land	651,648,102	414,591,609	-	-	1,066,239,712
Roads, bridges, culverts & helipads	450,356	191,808	-	-	642,164
Buildings :					
Main plant	3,432,401,855	784,454,583	-	-	4,216,856,438
Others	351,513,107	231,639,971	-	-	583,153,078
Temporary erection	7,857,288	5,939,581	-	-	13,796,869
Water supply, drainage and sewerage system	965,399	126,844	-	-	1,092,242
MGR track and signalling system	686,968,344	318,845,860	-	-	1,005,814,204
Plant and equipment	26,297,767,927	7,546,448,416	-	-	33,844,216,343
EDP/WP machines & satcom equipment	893,256	185,251	-	-	1,078,507
Electrical installations	1,179,966,972	641,923,365	-	-	1,821,890,337
Capital expenditure on assets not owned by the company	19,150,000	-	-	-	19,150,000
Sub total :	32,629,582,606	9,944,347,288	-	-	42,573,929,894
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	852,808,649	-	-	-	852,808,649
Expenditure during construction period (net)	5,581,306,644	4,056,579,445	-	-	9,637,886,089
Less Allocated to related works	5,581,306,643	4,056,579,445	-	-	9,637,886,089
	33,482,391,256	9,944,347,288	-	-	43,426,738,543
Construction stores	2,686,038,672	(1,303,941,070)	-	-	1,382,097,603
Total	36,168,429,928	8,640,406,219	-	-	44,808,836,147
Previous year	21,465,138,770	14,718,190,489	-	14,899,330	36,168,429,929

* Brought from expenditure during construction period (net) - Note 21

12. Other non-current assets

Amount in ₹

As at	31.03.2015	31.03.2014
Deferred foreign currency fluctuation asset	-	58,659,064
Total	-	58,659,064

13. Long-term loans and advances

(Considered good, unless otherwise stated)

Amount in ₹

As at	31.03.2015	31.03.2014
Capital advances		
Unsecured		
Covered by bank guarantee	1,483,717,317	1,876,527,227
Others	331,904,844	468,401,488
	1,815,622,161	2,344,928,715
Others		
Advance Tax and Tax deducted at Source	24,247,902	21,098,073
Deposit with Govt. Department	642,593,476	642,593,476
	666,841,378	663,691,549
Total	2,482,463,539	3,008,620,264

14. Cash and bank balances

Amount in ₹

As at	31.03.2015	31.03.2014
Cash & cash equivalents		
Balances with banks		
Current accounts	37,536,215	74,539,825
Cheques in hand	248,000	-
Bank deposits with original maturity upto three months	900,000,000	-
	937,784,215	74,539,825

15 Short-term loans and advances

(Considered good, unless otherwise stated)

Amount in ₹

As at	31.03.2015	31.03.2014
Advances		
Employees		
Unsecured	139,895	36,728
Contractors & Suppliers, including material issued on loan		
Unsecured	127,672,233	-
Total	127,812,128	36,728

BHARTIYA RAIL BIJLEE COMPANY LTD.

16. Other current assets

As at	Amount in ₹	
	31.03.2015	31.03.2014
Interest accrued on :		
Short Term deposits	2,161,028	-
Other Recoverable	11,618,223	936,138
Total	13,779,251	936,138

17. Other income

For the year ended	Amount in ₹	
	31.03.2015	31.03.2014
Interest from-Contractors	48,869,469	41,174,655
Other non-operating income		
Exchange rate Variation-Gain on liability	70,800,296	-
Miscellaneous income	2,868,592	425,069
	122,538,357	41,599,724
Less: Transferred to deferred foreign currency fluctuation asset/liability	70,800,296	-
Transferred to expenditure during construction period (net) - Note 21	51,738,061	41,599,724
Total	-	-

a) Miscellaneous income includes income from LD, Recoveries from Contractor, Hire Charges etc.

18. Employee benefits expense

For the year ended	Amount in ₹	
	31.03.2015	31.03.2014
Salaries and wages	172,721,488	162,579,504
Contribution to provident and other funds	42,431,941	21,695,517
Staff welfare expenses	17,134,865	20,232,715
	232,288,294	204,507,736
Less :Transferred to expenditure during construction period (net)- Note 21	232,288,294	204,507,736
Total	-	-

19. Finance costs

For the year ended	Amount in ₹	
	31.03.2015	31.03.2014
Interest on		
Rupee term loans	3,273,932,809	2,378,840,775
Less: Interest from Short Term Deposit	19,402,956	12,438,764
	3,254,529,853	2,366,402,011
Less: Transferred to expenditure during construction period (net) - Note 21	3,254,529,853	2,366,402,011
Total	-	-

20. ADMINISTRATION & OTHER EXPENSES

For the year ended	Amount in ₹	
	31.03.2015	31.03.2014
Power charges	433,857,153	665,425,995
Less: Recovered from contractors & employees	874,244	48,110
	432,982,909	665,377,885
Rent	10,011,896	9,524,845
Less: Recoveries	149,016	168,944
	9,862,880	9,355,902
Repairs & maintenance		
Repair to Building	2,845,863	11,019,399
Repair to Machinery	773,287	638,223
Others	23,034,970	6,637,406

Amount in ₹

For the year ended

For the year ended	Amount in ₹	
	31.03.2015	31.03.2014
Insurance	26,654,120	18,295,028
License Fee	87,592	163,958
Training & recruitment expenses	80,000	-
Postage & Telegram/ courier	383,877	644,985
Communication expenses	414,896	285,622
Travelling expenses	5,605,026	3,826,327
Tender expenses	14,034,991	12,137,634
Less: Receipt from sale of tender documents	7,218,516	2,488,685
	142,625	26,732
	7,075,891	2,461,953
Payment to auditors (refer details below)*	88,098	159,269
Advertisement and publicity	359,617	1,247,339
Security expenses	42,294,859	11,624,534
Entertainment expenses	1,713,822	1,492,232
Expenses for guest house	143,655	473,476
Less: Recoveries	3,055	910
	140,600	472,566
Community development and welfare expenses	-	-
Books and periodicals	33,738	20,422
Professional charges and consultancy fees	377,413	7,292,727
Legal expenses	3,310,897	704,952
EDP hire and other charges	1,164,145	696,464
Printing and stationery	1,201,874	1,129,271
Hire charge of vehicles	14,106,098	14,962,502
Hire Charge Heli/Air.	1,902,093	1,568,609
Hire charge of construction Equipment	534,829	3,053,756
DG Set operating expenses	4,059,675	5,320,391
Furnishing Expenses	126,522	111,131
Hiring Charge- Office Equipment	205,389	188,422
Horticulture Expenses	818,822	101,069
Bank charges	3,664,929	26,813,229
Net loss in foreign currency transactions & translations	-	36,662,986
Miscellaneous expenses	7,924,669	2,654,026
Provision for shortage in fixed assets	-	42,639
	581,210,271	828,867,831
Less: Transferred to deferred foreign currency fluctuation asset/liability	-	36,662,986
Transferred to expenditure during construction period (net) - Note 21	580,826,394	791,559,860
Total	383,877	687,624

* Details in respect of payment to auditors:

As auditor - Audit fee	55,000	50,000
Reimbursement of expenses	26,300	103,089
Reimbursement of service tax	6,798	6,180
	88,098	159,269

21. Expenditure during construction period (net)

For the year ended	Amount in ₹	
	31.03.2015	31.03.2014
A. Employee benefits expense		
Salaries and wages	172,721,488	162,579,504
Contribution to provident and other funds	42,431,941	21,695,517
Staff welfare expenses	17,134,865	20,232,715
Total (A)	232,288,294	204,507,736
B. Finance costs		
Interest on Rupee Term Loan	3,254,529,853	2,366,402,011
Total (B)	3,254,529,853	2,366,402,011

BHARTIYA RAIL BIJLEE COMPANY LIMITED

	Amount in ₹	
For the year ended	31.03.2015	31.03.2014
C. Depreciation and amortisation	40,672,965	12,340,631
D. Administration and other expenses		
Power charges	433,857,153	665,425,995
Less: Recovered from contractors & employees	<u>874,244</u>	48,110
	432,982,909	<u>665,377,885</u>
Rent	9,862,880	9,355,902
Repairs & maintenance		
Repair to Building	2,845,863	11,019,399
Repair to Machinery	773,287	638,223
Others	23,034,970	6,637,406
Insurance	87,592	163,958
License Fee	80,000	-
Postage & Telegram/ Courier	414,896	285,622
Communication expenses	5,605,026	3,826,327
Travelling expenses	14,034,991	12,137,634
Tender expenses	7,218,516	2,488,685
Less: Receipt from sale of tender documents	<u>142,625</u>	26,732
	7,075,891	2,461,953
Payment to Auditors	88,098	159,269
Advertisement and publicity	359,617	1,247,339
Security expenses	42,294,859	11,624,534
Entertainment expenses	1,713,822	1,492,232
Expenses for Guest house	140,600	472,566
Books and periodicals	33,738	20,422
Professional charges and consultancy fee	377,413	7,292,727
Legal expenses	3,310,897	704,952
EDP Hire and other charges	1,164,145	696,464
Printing and stationery	1,201,874	1,129,271
Hire Charges of Vehicle	14,106,098	14,962,502
Hire Charge Heli/Air.	1,902,093	1,568,609
Hire charge of construction Equipment	534,829	3,053,756
DG Set operating expenses	4,059,675	5,320,391
Furnishing Expenses	126,522	111,131
Hiring Charge- Office Equipment	205,389	188,422
Horticulture Expenses	818,822	101,069
Bank Charges	3,664,929	26,813,229
Miscellaneous expenses	7,924,669	2,654,026
Provision for shortage in fixed assets		42,639
Total (D)	580,826,394	791,559,860
Total (A+B+C+D)	4,108,317,506	3,374,810,238
E. Less: Other income		
Interest from contractors	48,869,469	41,174,655
Miscellaneous income	2,868,592	425,069
Total (E)	51,738,061	41,599,724
Grand total (A+B+C+D-E)	4,056,579,445*	3,333,210,514

* Balance carried to capital work-in-progress - (Note 11)

22. Previous year figure has been regrouped / rearranged wherever considered necessary.

23. Amount in the financial statements are presented in ₹ .

24. a) Certain loans & advances and creditors, so far as these have since not been realised/discharged or adjusted are subject to confirmation/reconciliation and consequent 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.

25. Disclosure as per Accounting Standard - 16 on 'Borrowing Costs

Borrowing costs capitalised during the year are ₹ 3,254,529,853 (previous year ₹ 2,366,402,011).

26. Disclosure as per Accounting Standard - 19 on 'Leases'

Expenses on operating leases of the premises for residential use of the employees amounting to ₹ 86,78,562.31 (previous year: ₹ 95,24,845.48 are included in Rent Lease Accommodation.)

27. 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 - ₹	(383,877)	(687,624)
Weighted average number of equity shares used as denominator for Basic EPS	1,170,504,940	803,113,461
Earning per share -Basic	(0.00)	(0.00)
Earning per share -Diluted	(0.00)	(0.00)
Face value per share - ₹	10/-	10/-

28 Foreign currency exposure not hedged by a derivative instrument or otherwise:

Particulars	Currencies	Amount in ₹	
		31.03.2015	31.03.2014
Sundry Creditors/ deposit and retention monies	USD	1,016,941.00	-
	EURO	1,267,411,206	1,406,016,617
Unexecuted amount of contracts remaining to be executed	USD	77,034,423	79,348,248
	EURO	1,430,051,404	1,217,115,043

29. Based on information available with the company, there are no suppliers/ contractors/ service providers who are registered as micro, small or medium, enterprise under "The Micro, Small and Medium Enterprises Development Act, 2006.

30. Contingent liability:

a) Demand notice received from the Commercial Tax Office, Aurangabad, Bihar for ₹1,405,404,683/- on account of penalty and interest under Bihar Entry Tax Act for the FY 2010-11, 2011-12 & 2012-13. In the case filed with Commercial Tax Tribunal, Patna, the Tribunal has remanded the case to the Jurisdictional Commercial Tax Assessment Officer, Aurangabad, Bihar, to examine and pass the assessment within a month from the date of order. The case is under hearing with the assessing officer accordingly.

b) BRBCL has Filled Income Tax Return for the Assessment Year 2012-13. The Assessing officer has disallowed Income from other sources of ₹1,00,875,150.00. Accordingly department has imposed Tax Liability of ₹ 44,312,550.00 including interest upto March 2015. In the assessment, income from other sources has been considered as revenue in nature instead of considering the revenue to be capital in nature. BRBCL has filed an appeal against the assessment/

BHARTIYA RAIL BIJLEE COMPANY LTD.

fine/penalty to the commissioner of Income Tax Appeal-V New Delhi for settlement of the issue. In similar case for Assessment Year 2011-12, the company has received judgement in its favour from CIT (Appeal).

- c) The work 'Contract for residential quarter etc was awarded to a contractor. The contract was terminated due to poor progress in job. The Contractor has gone in arbitration with a claim of ₹ 1,84,42,452/- invoking arbitration under general condition contract for losses incurred by them during strike period. As per the company's contention claim is not payable.
- d) The work 'Contract for civil work and ash dyke' was awarded to a contractor. The contract was terminated due to poor progress in job. The Contractor has gone in arbitration with a claim of ₹150,43,89,357/- invoking arbitration under general condition contract for losses incurred by them during strike period. As per the company's contention claim is not payable.
- e) Demand notice has been served by Asst, Commissioner of commercial taxes vide letter No 1663 dated 27th March 2015 for ₹ 55873634 against Entry tax on materials procured from the agencies within the state but outside the Municipal limit of Nabinagar TPP. BRBCL did not accept the claim and Commercial tax authority had been informed that BRBCL had already deposited Works Contract Tax on a portion of the taxable amount and VAT on the other portion. The demand has not yet been withdrawn.

31 Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2015 is ₹12,719,997,022 (previous year ₹21,731,094,525)

32 Disclosure as per Accounting Standard-15 on Employees Benefits

In accordance with significant Accounting Policy No. J, an amount of ₹32856224 (previous year ₹ 29881369)towards provident fund, pension, gratuity, post retirement medical benefits and ₹9575716 (Previous year ₹ 6700291) towards leave & other benefits are paid/ payable to the Holding company and included under Employee benefits.

33 Other disclosures as per Schedule III of the Companies Act, 2013

Amount in ₹

Particulars	Current year		Previous year	
	%age	Amount	%age	Amount
a) Value of imports calculated on CIF basis:				
Capital goods		Nil		Nil
Spare parts		Nil		Nil
b) Expenditure in foreign currency:		Nil		Nil
Professional and consultancy fee		Nil		Nil
Interest		Nil		Nil
Others		Nil		Nil
c) Value of components, stores and spare parts consumed (including fuel):	Current year		Previous year	
	%age	Amount	%age	Amount
Imported	Nil	Nil	Nil	Nil
Indigenous	Nil	Nil	Nil	Nil

	Current year	Previous year
d) Earnings in foreign exchange:	Nil	Nil
Professional & consultancy fee	Nil	Nil
Others	Nil	Nil

For and on behalf of the Board of Directors

(K K Singh) (S.Garg) (S.C.Pandey)
Chief Executive Officer Director Chairman

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

For N. C. Aggarwal & Co.
Chartered Accountants
Firm Reg. No. 003273N

(G. K. Aggarwal)
Partner
M No. 086622

Place : New Delhi
Dated : 8th May 2015

INDEPENDENT AUDITORS' REPORT

To
The Members of BHARTIYA RAIL BIJLEE COMPANY LIMITED
Report on the Financial Statements

We have audited the accompanying financial statements of **BHARTIYA RAIL BIJLEE COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

BHARTIYA RAIL BIJLEE COMPANY LIMITED

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. We are enclosing our report in terms of Section 143 (5) of the Act, in the Annexure 2 on the directions issued by Comptroller and Auditor General of India.
3. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note-30 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable

losses, if any, on long-term contracts including derivative contracts.

- iii. There is no amount payable towards investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N

G.K. Aggarwal
Partner
Membership No. 086622

Date: 8th May, 2015
Place: New Delhi

ANNEXURE 1 TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph (1) under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date for the year ended 31st March, 2015)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) A major portion of the fixed assets has been physically verified by the Management in accordance with a phased programmed of verification once in two years adopted by the company. In our opinion, the frequency of the verification is reasonable having regard to the size of the company and the nature of its assets. To the best of our knowledge, no material discrepancies have been noticed on such verification.
2. (a) The Company does not have inventory. Accordingly, the provision of clause 3(ii) (b) & (c) of the Companies (Auditor's Report) Order, 2015 are not applicable to the company.
3. According to the information and the explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3(iii) (a) and (b) of the order are not applicable to the company and hence not commented upon.
4. In our opinion and according to information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of fixed assets. The company has not made any purchase/ sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control systems.
5. According to the information given to us, the Company has not accepted any deposits under the provisions of section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the companies Act and the Companies (Acceptance of Deposits) Rules, 2014. No order has been passed with respect to Section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal.
6. The maintenance of cost records under sub-section (l) of section 148 of the Companies Act, 2013 is not applicable to the company, since it has not commenced any activity related to the generation of electricity.
7. (a) Undisputed statutory dues including provident fund, employee' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate

BHARTIYA RAIL BIJLEE COMPANY LTD.

authorities and there are no undisputed dues outstanding as at 31st March 2015 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of wealth tax, Service tax, duty of excise, duty of customs, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax and entry tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amount (in ₹)	Period to which the amount relates	Forum where dispute is pending
Bihar Entry Tax Act	Entry Tax	76,28,11,207	FY 2010-11 to FY 2012-13	Commercial Tax Officer, Aurangabad (Bihar)
Income Tax Act, 1961	Income Tax	4,43,12,550	AY 2012-13	Commissioner of Income Tax (Appeal)-V New Delhi
Bihar Entry Tax Act	Entry Tax	5,58,73,634	FY 2013-14 to FY 2014-15	Assistant Commissioner of Commercial Tax, Aurangabad

- (c) There is no amount payable towards investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder. Hence clause 3(vii) (c) of the Companies (Auditor's Report) Order, 2015 is not applicable to the company.

8. The company has accumulated losses ₹ 79,76,838/- (including current years' loss) at the end of the financial year. Company has incurred ₹ 3,83,877/- cash loss in the current financial year. The net worth of the company is ₹1583,81,61,662/- and accumulated loss is 0.050% of net worth.
9. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions. There is no amount of dues to banks.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
11. According to the information and explanation furnished to us, the term loan taken from financial institution has been applied for the purpose for which they were obtained.
12. During the course of our examination of the books and records of the Company, and according to the information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N

G.K. Aggarwal
Partner
Membership No. 086622

Date: 8th May, 2015
Place: New Delhi

ANNEXURE 2 TO THE AUDITORS' REPORT

(Referred to in paragraph (2) under the heading of 'Report on other Legal and Regulatory Requirements' of our report of even date for the year ended 31st March, 2015)

- Q (1) If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed and General Reserves) may be examined including the mode and present stage of disinvestment process.

Reply: Not applicable.

- Q (2) Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons therefore and the amount involved.

Reply: According to information and explanations given to us, there are no cases of waiver/write off of debts/loans/interest etc.

- Q (3) Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities?

Reply: Not applicable as the Company does not have any inventory and no asset is received as gift from government or other authorities as per the information provided to us.

- Q (4) A report on age-wise analysis of pending legal/arbitration cases including the reasons of pendency and existence/effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.

Reply: The age-wise analysis of pending legal/arbitration cases obtained from the management is enclosed at Annexure - A. These cases are pending for availing their turn for hearing/disposal. The Company has a system for monitoring expenditure on legal cases (foreign and local) which in our view is effective.

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N

G.K. Aggarwal
Partner
Membership No. 086622

Date: 8th May, 2015
Place: New Delhi

Age-wise Analysis of Pending Legal/Arbitration Cases as at 31.03.2015

Name of the statute	Nature of dues	Amount (in Rs.)	Forum where dispute is pending	Outstanding for				
				<1 Year	1-2 Years	2-3 Years	>3 years	Total
Bihar Entry Tax Act	Entry Tax	140,54,04,683*	Commercial Tax Officer, Aurangabad (Bihar)		140,54,04,683			140,54,04,683
Income Tax Act, 1961	Income Tax	4,43,12,550	Commissioner of Income Tax (Appeal)-V New Delhi	4,43,12,550				4,43,12,550
Bihar Entry Tax Act	Entry Tax	5,58,73,634	Assistant Commissioner of Commercial Tax, Aurangabad	5,58,73,634				5,58,73,634
Income Tax Act, 1961	Income Tax	66,71,610	The case was decided in favour of the company by CIT (A) New Delhi. The department has filed an appeal with ITAT New Delhi		66,71,610			66,71,610
Arbitration and Conciliation Act, 1956		1,84,42,452	Arbitrator	1,84,42,452				1,84,42,452
Arbitration and Conciliation Act, 1956		150,43,89,357	Arbitrator	150,43,89,357				150,43,89,357

* A sum of ₹ 64,25,93,476 is paid against aforesaid dispute and shown as recoverable.

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF BHARTIYA RAIL BIJLEE COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2015

The preparation of financial statements of Bhartiya Rail Bijlee Company Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with Standards on Auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 08 May 2015.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143 (6) (a) of the Act of the financial statements of Bhartiya Rail Bijlee Company Limited for the year ended 31 March 2015. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditor and is limited primarily to inquiries of the Statutory Auditor and Company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's Report.

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

(Tanuja S. Mittal)
Principal Director of Commercial Audit
& Ex-officio Member, Audit Board - III, New Delhi

Place : New Delhi
Dated : 03 July, 2015

CONSOLIDATED BALANCE SHEET AS AT

₹ Crore

Particulars	Note	31.03.2015	31.03.2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	8,245.46	8,245.46
Reserves and surplus	3	73,848.52	79,084.26
		82,093.98	87,329.72
Deferred revenue	4	1,394.15	1,609.88
Minority interest		887.94	680.43
Non-current liabilities			
Long-term borrowings	5	93,362.92	75,542.30
Deferred tax liabilities (net)	6	1,265.61	1,239.31
Other long-term liabilities	7	3,481.85	3,081.58
Long-term provisions	8	1,143.37	896.80
		99,253.75	80,759.99
Current liabilities			
Short-term borrowings	5A	640.15	433.64
Trade payables	9	7,107.63	7,223.96
Other current liabilities	10	20,202.14	14,427.18
Short-term provisions	11	7,996.41	7,580.33
		35,946.33	29,665.11
TOTAL		219,576.15	200,045.13
ASSETS			
Non-current assets			
Goodwill on consolidation		0.62	0.62
Fixed assets			
Tangible assets	12	91,579.48	83,957.77
Intangible assets	12	272.92	249.59
Capital work-in-progress	13	67,524.31	53,819.15
Intangible assets under development	13A	30.38	5.81
Non-current investments	14	14.12	1,663.46
Long-term loans and advances	15	16,631.62	14,157.35
Other non-current assets	15A	1,731.08	1,805.99
		177,784.53	155,659.74
Current assets			
Current investments	16	1,887.39	1,636.96
Inventories	17	7,972.46	5,988.48
Trade receivables	18	9,249.92	6,725.66
Cash and bank balances	19	14,251.61	17,050.67
Short-term loans and advances	20	2,456.70	3,230.15
Other current assets	21	5,973.54	9,753.47
		41,791.62	44,385.39
TOTAL		219,576.15	200,045.13
Significant accounting policies	1		

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

For and on behalf of the Board of Directors

(A.K.Rastogi)
Company Secretary

(K.Biswal)
Director (Finance)

(Dr. Arup Roy Choudhury)
Chairman & Managing Director

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

For O. P. Bagla & Co
Chartered Accountants
Firm Reg. No. 000018N

For PSD & Associates
Chartered Accountants
Firm Reg. No. 004501C

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Reg. No. 003990S/S200018

(Neeraj Kumar Agarwal)
Partner
M No.094155

(Prakash Sharma)
Partner
M No.072332

(T.V.Balasubramanian)
Partner
M No.027251

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Reg. No. 109208W

For Ramesh C. Agrawal & Co.
Chartered Accountants
Firm Reg. No. 001770C

For A.R. & Co.
Chartered Accountants
Firm Reg. No. 002744C

(M.S.Balachandran)
Partner
M No. 024282

(Manoj Agrawal)
Partner
M No.076918

(Anil Gaur)
Partner
M.No.017546

Place : New Delhi
Dated : 29th May 2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

Particulars	Note	₹ Crore	
		31.03.2015	31.03.2014
Revenue			
Revenue from operations (gross)	22	81,367.02	79,648.12
Less: Electricity duty / Excise duty		744.98	697.49
Revenue from operations (net)		80,622.04	78,950.63
Other income	23	2,078.91	2,760.12
Total revenue		82,700.95	81,710.75
Expenses			
Fuel		51,461.12	47,790.26
Electricity purchased		2,082.64	2,189.97
Employee benefits expense	24	3,889.69	4,038.63
Cost of material and services		631.02	315.81
Changes in inventories of finished goods,work-in-progress		4.64	1.66
Finance costs	25	3,570.37	3,203.07
Depreciation and amortisation expense	12	5,564.61	4,769.99
Generation, administration & other expenses	26	5,358.87	4,903.75
Prior period items (net)	27	(318.22)	11.85
Total expenses		72,244.74	67,224.99
Profit before tax		10,456.21	14,485.76
Tax expense			
Current tax			
Current year		2,395.29	3,372.68
Earlier years		(1,952.99)	(438.09)
Deferred tax			
Current year		940.00	158.59
Earlier years		83.87	-
Less :Deferred asset for deferred tax liability		994.66	-
MAT credit recoverable		7.67	10.82
Total tax expense		463.84	3,082.36
Profit after tax		9,992.37	11,403.40
Less: Share of Profit /(loss)-Minority interest		6.03	(0.21)
Group profit after tax		9,986.34	11,403.61
Significant accounting policies	1		
Expenditure during construction period (net)	28		
Earnings per equity share (Par value of ₹ 10/- each)	45		
Basic & Diluted (₹)		12.11	13.83

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

There are no exceptional or extraordinary items in the above periods.

Total revenue, total expenses and profit after tax includes ₹ 4,779.76 crore (previous year ₹ 4,532.23 crore), ₹ 4,867.10 crore (previous year ₹ 4,062.44 crore) and (-) ₹ 244.16 crore (previous year ₹ 349.23 crore) respectively towards share of jointly controlled entities.

For and on behalf of the Board of Directors

(A.K.Rastogi)
Company Secretary

(K.Biswal)
Director (Finance)

(Dr. Arup Roy Choudhury)
Chairman & Managing Director

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

For O. P. Bagla & Co
Chartered Accountants
Firm Reg. No. 000018N

For PSD & Associates
Chartered Accountants
Firm Reg. No. 004501C

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Reg. No. 003990S/S200018

(Neeraj Kumar Agarwal)
Partner
M No.094155

(Prakash Sharma)
Partner
M No.072332

(T.V.Balasubramanian)
Partner
M No.027251

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Reg. No. 109208W

For Ramesh C. Agrawal & Co.
Chartered Accountants
Firm Reg. No. 001770C

For A.R. & Co.
Chartered Accountants
Firm Reg. No. 002744C

(M.S.Balachandran)
Partner
M No. 024282

(Manoj Agrawal)
Partner
M No.076918

(Anil Gaur)
Partner
M.No.017546

Place : New Delhi
Dated : 29th May 2015

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED

Particulars	₹ Crore	
	31.03.2015	31.03.2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	10,456.21	14,485.76
Adjustment for:		
Depreciation/amortisation	5,564.61	4,769.99
Prior period depreciation/amortisation	15.62	3.73
Provisions	231.84	160.54
Deferred revenue on account of advance against depreciation	(283.35)	(16.06)
Deferred foreign currency fluctuation asset/liability	244.39	(215.77)
Deferred income from foreign currency fluctuation	(22.50)	516.36
Fly ash utilisation reserve fund	76.74	91.30
Exchange differences on translation of foreign currency cash and cash equivalents	(0.02)	(0.19)
Interest charges	3,528.57	3,164.29
Guarantee fee & other finance charges	41.80	38.78
Interest/income on term deposits/bonds/investment	(1,581.36)	(2,130.45)
Dividend income	(160.22)	(139.06)
Provisions written back	(187.14)	(200.86)
Operating profit before working capital changes	7,468.98	6,042.60
Adjustment for:		
Trade receivables	(2,976.09)	(629.02)
Inventories	(1,677.83)	(1,154.24)
Trade payables, provisions and other liabilities	1,019.90	1,378.81
Loans & advances and other current assets	2,464.63	(906.42)
Cash generated from operations	16,755.80	19,217.49
Direct taxes paid	(2,009.95)	(2,686.65)
Net cash from operating activities - A	14,745.85	16,530.84
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(19,177.24)	(18,948.45)
Purchase of investments	2.12	-
Sale of investments	1,636.96	1,622.46
Interest/income on term deposits/bonds/investments received	1,847.03	2,453.40
Income tax paid on interest income	(303.59)	(775.89)
Dividend received	160.22	139.06
Net cash used in investing activities - B	(15,834.50)	(15,509.42)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	25,450.85	14,523.70
Repayment of long term borrowings	(5,076.24)	(5,189.74)
Proceeds from short term borrowings	206.51	51.48
Grant received	20.00	20.32
Interest paid	(7,124.72)	(6,088.36)
Guarantee fee & other finance charges paid	(112.36)	(154.55)
Dividend paid (including bonus debentures)	(12,388.20)	(5,018.96)
Tax on dividend (including tax on bonus debentures)	(2,450.34)	(852.95)
Net cash used in financing activities - C	(1,474.50)	(2,709.06)
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)
Cash and cash equivalents at the beginning of the year (see Note 1 below)	17,050.67	18,738.12
Cash and cash equivalents at the end of the year (see Note 1 below)	14,487.54	17,050.67
NOTES:		
1. Cash and cash equivalents consist of cheques, drafts, stamps in hand, balances with banks and investments in liquid mutual funds. Cash and cash equivalents included in the cash flow statement comprise of following balance sheet amounts as per Note-16 and Note-19:		
Cash and cash equivalents	659.22	930.65
Deposits included in other bank balances	13,249.95	16,104.91
Investments in liquid mutual funds	9.33	-
Earmarked balances*	569.04	15.11
Cash and cash equivalents as restated	14,487.54	17,050.67
* Earmarked balances consist of:		
(a) Deposits towards redemption of bonds due for repayment within one year	100.00	-
(b) Balances with banks earmarked for fly ash utilisation reserve fund	193.77	-
(c) Unpaid dividend account balance	14.97	14.21
(d) Deposits as per court orders	24.64	-
(e) Unpaid interest/refund account balance - tax free bonds	0.30	0.52
(f) Deposits towards public deposit repayment reserve	0.08	-
(g) Balances with bank towards unpaid interest on public deposit	0.03	0.03
(h) Margin money kept with RBI earmarked for fixed deposits from public	-	0.02
(i) Deposited as security with government authorities	0.02	0.02
(j) Margin money with banks	8.63	0.31
(k) Investments in liquid mutual funds earmarked for fly ash utilisation reserve fund	226.60	-
	569.04	15.11
2 Reconciliation of cash and cash equivalents as restated		
(a) Cash and bank balances-Note-19	14,251.61	17,050.67
(b) Current investments (investments in liquid mutual funds)-Note-16	235.93	-
	14,487.54	17,050.67
3 Previous year figures have been regrouped/rearranged wherever considered necessary.		

(A.K.Rastogi)
Company Secretary

For and on behalf of the Board of Directors

(K.Biswal)
Director (Finance)

(Dr. Arup Roy Choudhury)
Chairman & Managing Director

For O. P. Bagla & Co
Chartered Accountants
Firm Reg. No. 000018N
(Neeraj Kumar Agarwal)
Partner
M No.094155

This is the Consolidated Cash Flow Statement referred to in our report of even date

For PSD & Associates
Chartered Accountants
Firm Reg. No. 004501C
(Prakash Sharma)
Partner
M No.072332

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Reg. No. 003990S/5200018
(T.V.BalasuBramanian)
Partner
M No.097251

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Reg. No. 109208W
(M.S.Balachandran)
Partner
M No. 024282

For Ramesh C. Agrawal & Co.
Chartered Accountants
Firm Reg. No. 001770C
(Manoj Agrawal)
Partner
M No.076918

For A.R. & Co.
Chartered Accountants
Firm Reg. No. 002744C
(Anil Gaur)
Partner
M.No.017546

Place : New Delhi
Dated : 29th May 2015

Notes forming part of Consolidated Financial Statements

1. Significant accounting policies

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.

Notes forming part of Consolidated Financial Statements

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.

Notes forming part of Consolidated Financial Statements

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.

Notes forming part of Consolidated Financial Statements

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.

2. Share capital

As at	31.03.2015	31.03.2014
₹ Crore		
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) 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 3 (f).
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	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

Notes forming part of Consolidated Financial Statements

3. 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		
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.

Notes forming part of Consolidated Financial Statements

- 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.
- 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 1st 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.

4. Deferred revenue

As at	₹ Crore	
	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 (Note 1) 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 (Note 1), 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 (Note 1). 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.

Notes forming part of Consolidated Financial Statements

5. Long-term borrowings

As at	31.03.2015	31.03.2014
₹ Crore		
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 02 nd September 2024 (Fifty third issue - Private Placement) ^x	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)	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
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
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)	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

Notes forming part of Consolidated Financial Statements

₹ Crore

As at	31.03.2015	31.03.2014
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 29 th March 2017 and ending on 29 th 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 10 th June 2016 and ending on 10 th June 2030 (Thirty fourth 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 15 th September 2016 and ending on 15 th September 2030 (Thirty fifth 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) ^{vii}	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
	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.

Notes forming part of Consolidated Financial Statements

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						
Rupee loans - Banks	8,024.13	3,399.34	308.83	310.00	8,332.96	3,709.34
Rupee 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
Rupee loans - Banks	20,835.85	18,905.07	2,545.98	1,764.06	23,381.83	20,669.13
Rupee 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

- 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.
 - 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.
 - 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.
 - 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.
 - Unsecured foreign currency loans - Others 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.
 - 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.
 - 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.
- The finance lease obligations are repayable in installments as per the terms of the lease agreement over a period of seven years.
 - 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.
 - 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.
 - 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

- 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.
- 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.

Notes forming part of Consolidated Financial Statements

- 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, Vindhychal 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 immovable 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 paripassu 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.

5A. 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.

Notes forming part of Consolidated Financial Statements

- 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.
- 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.
- Includes cash credit secured by pari-passu 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.
- There has been no default in payment of principal and interest as at the end of the year.

6. Deferred tax liabilities (net)

	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
	5,741.96	1,178.68	6,920.64
Less: Deferred asset for deferred tax liability	4,502.65	1,152.38	5,655.03
Total #	1,239.31	26.30	1,265.61

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

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.

- In line with accounting policy no.M.4 (Note 1) deferred foreign currency fluctuation liability to the extent of ₹ 107.91 crore (previous year ₹ 16.39 crore) has been made during the year.
- Other liabilities - Others include deposits received from contractors, customers and other parties.

8. Long-term provisions

As at	31.03.2015	31.03.2014
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.

- Disclosure as per AS 15 on 'Employee Benefits' has been made in Note-40.
- Disclosure as per AS 29 on 'Provisions, Contingent Liabilities and Contingent Assets' has been made in Note-48.

9. Trade payables

As at	31.03.2015	31.03.2014
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	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

Notes forming part of Consolidated Financial Statements

	₹ Crore	
As at	31.03.2015	31.03.2014
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.

- 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 5.
- Interest accrued and due on borrowings pertains to M/s Ratnagiri Gas & Power Private Limited, a joint Venture of the Company.
- 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.
- 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.
- 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. Consequently 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.
- 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.

- Disclosure as per AS 15 on 'Employee Benefits' has been made in Note 40.
- Disclosure required by AS 29 on 'Provisions, Contingent Liabilities and Contingent Assets' has been made in Note 48.
- 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.
- 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).

Notes forming part of Consolidated Financial Statements

12. Tangible assets

₹ Crore

	Gross Block			As at 31.03.2015	Depreciation/Amortisation			Net Block		
	As at 01.04.2014	Additions	Deduction/ Adjustment		Upto 01.04.2014	For the year	Deduction/ Adjustment	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	(92.46)	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	106,916.81	7,321.76	(2,279.99)	116,518.56	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 #	131,003.85	9,889.84	(3,034.88)	143,928.57	47,046.08	5,848.21	545.20	52,349.09	91,579.48	83,957.77
Previous year	113,425.80	13,377.52	(4,200.53)	131,003.85	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.

Notes forming part of Consolidated Financial Statements

- 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 3 (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
	(3,034.88)	(4,200.53)	545.20	231.26

* Includes ₹ 5.47 crore (before adjustment of deferred tax) which has been adjusted from general reserve (refer Note 3 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:

	For the year ended 31 st March 2015		For the year ended 31 st 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

	Gross Block			As at 31.03.2015	Depreciation/Amortisation			Net Block		
	As at 01.04.2014	Additions	Deduction/Adjustment		Upto 01.04.2014	For the year	Deduction/Adjustment	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:

	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

Notes forming part of Consolidated Financial Statements

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
	46,671.44	24,419.76	2,017.38	8,661.22	60,412.60
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
	49,335.52	25,266.38	2,786.99	8,661.22	63,153.69
Less: Provision for unserviceable works	69.23	41.95	5.18	-	106.00
Construction stores (net of provision)	4,552.86	(76.24)	-	-	4,476.62
Total #	53,819.15	25,148.19	2,781.81	8,661.22	67,524.31
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

					₹ Crore
	As at 01.04.2014	Additions	Deductions/ Adjustments	Capitalised	As at 31.03.2015
Software	2.54	5.19	(2.56)	10.19	0.10
License fee for technical collaboration	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.

Notes forming part of Consolidated Financial Statements

14. Non-current Investments

₹ Crore

As at			31.03.2015	31.03.2014
	Number of shares/bonds/ securities Current year/ (previous year)	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.	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	(1075000)	(1000)	-	3.34
Jammu and Kashmir	(33388)	(1000)	-	36.74
Jharkhand	-	-	-	96.01
Kerala	(367360)	(1000)	-	100.24
Madhya Pradesh	(960136)	(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
# 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 (Note1).				
* Equity shares of ₹ 30,200/- (previous year ₹ 30,200/-) held in various employee co-operative societies.				

Notes forming part of Consolidated Financial Statements

15. Long-term loans and advances (Considered good, unless otherwise stated)

	₹ Crore	
As at	31.03.2015	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
Considered 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.

- 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.
- Capital advances include advances to related parties of ₹ 8.98 crore (previous year ₹ 0.02 crore).
- Other loans (secured) represent loan given to Andhra Pradesh Industrial Infrastructure Corporation Ltd. (APIIC).
- 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.

- 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.
- 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.

Notes forming part of Consolidated Financial Statements

16. Current investments

₹ Crore

As at	Number of bonds/ securities Current year/ (previous year)	Face value per bond/ security Current year/ (previous year) (₹)	31.03.2015	31.03.2014
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.

Notes forming part of Consolidated Financial Statements

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 (Note 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
	659.22	930.65
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 #	14,251.61	17,050.67
# 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
	342.44	15.11

*Refer Note 3 regarding fly ash utilisation reserve fund.

Notes forming part of Consolidated Financial Statements

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

As at	31.03.2015	31.03.2014
₹ Crore		
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)

For the year ended	31.03.2015	31.03.2014
₹ Crore		
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

Notes forming part of Consolidated Financial Statements

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
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.

- 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).
- "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'.
- 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).
- 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.
- Energy sales include sale of energy by M/s NVVN Ltd. amounting to ₹ 2,116.09 crore (previous year ₹ 2,223.77 crore)
- 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.
- 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.
- 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.
- 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 3]	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 Note3]	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 APIC 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.

Notes forming part of Consolidated Financial Statements

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 3]	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 Cost

	₹ 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	25.12	20.47
	224.93	319.86
Water Charges	511.13	471.59
Stores consumed	55.03	52.02
Rent	47.09	40.35
Less: Recoveries	9.58	8.07
	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	1.44	3.30
	25.88	26.37

Notes forming part of Consolidated Financial Statements

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
Communication expenses	47.92	47.90
Travelling expenses	222.79	214.27
Tender expenses	41.55	33.85
Less: Receipt from sale of tenders	3.30	3.32
	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	3.04	2.88
	23.09	21.26
Education expenses	36.39	38.09
Community development and welfare expenses	113.83	75.91
Less: Grants-in-aid	-	0.93
	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
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.

Notes forming part of Consolidated Financial Statements

27. Prior period items (Net)

For the year ended	₹ Crore	
	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 book 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)

For the year ended	₹ Crore	
	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
	<u>144.02</u>	<u>245.39</u>
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	<u>42.23</u>	<u>30.76</u>
	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

Notes forming part of Consolidated Financial Statements

For the year ended	₹ Crore	
	31.03.2015	31.03.2014
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
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:

- 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.
- 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:

- 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.
- 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.
- 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.
- 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.
- 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:		
A. Incorporated in India		
1. Utility Powertech Ltd.	50.00	50.00
2. NTPC - Alstom Power Services Private Ltd.	50.00	50.00

Notes forming part of Consolidated Financial Statements

Name of the Company	Proportion (%) of Shareholding as on	
	31.03.2015	31.03.2014
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) ⁵	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) ⁵⁵	49.00	49.00
11. Nabinagar Power Generating Company Private Ltd.	50.00	50.00
12. National Power Exchange Ltd. * (refer note below) ⁵⁵⁵	16.67	16.67
13. International Coal Ventures Private. Ltd. * (refer note below) ⁵⁵⁵⁵	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) ⁵⁵⁵⁵⁵	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.

⁵The 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.

⁵⁵The 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.

⁵⁵⁵The 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.

⁵⁵⁵⁵The 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.

⁵⁵⁵⁵⁵The 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:

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:

Notes forming part of Consolidated Financial Statements

₹ Crore

Item	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:

₹ Crore

Particulars	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.

Notes forming part of Consolidated Financial Statements

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}

Notes forming part of Consolidated Financial Statements

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}	- {-}	- {-}	- {-}
Benefits 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%

Notes forming part of Consolidated Financial Statements

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 #	13,366.13	16,284.75	37.77	82.83	13,403.90	16,367.58
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	117,091.25	102,887.26	5,222.98	4,143.41	122,314.23	107,030.67
Unallocated corporate and other assets					97,261.92	93,014.46
Total assets	117,091.25	102,887.26	5,222.98	4,143.41	219,576.15	200,045.13
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					118,329.25	94,704.37
Total liabilities	16,325.12	15,931.93	2,827.80	2,079.11	137,482.17	112,715.41
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.

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 A.K.Jha	Director (Technical)
Shri U.P.Pani	Director (Human Resources)

Notes forming part of Consolidated Financial Statements

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

Notes forming part of Consolidated Financial Statements

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	8,245,464,400	8,245,464,400
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

Notes forming part of Consolidated Financial Statements

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 thereon. Further, an amount of ₹ 78.92 crore has been appropriated to CSR Reserve from surplus during the year. Also refer Note 3.

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
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 Friendship 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.

Notes forming part of Consolidated Financial Statements

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

- 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.
- 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.
- Group's commitment in respect of lease agreements has been disclosed in Note 44.
- 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).
- 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.

Notes forming part of Consolidated Financial Statements

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
Imported	17.05	8,849.03
Indigenous	82.95	43,053.02
		Current year
		Previous year
d) Earnings in foreign exchange:		
Professional & consultancy fee		2.94
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.

For and on behalf of the Board of Directors

(A.K.Rastogi)
Company Secretary

(K.Biswal)
Director (Finance)

(Dr. Arup Roy Choudhury)
Chairman & Managing Director

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

For O. P. Bagla & Co.
Chartered Accountants
Firm Reg. No. 000018N

For PSD & Associates
Chartered Accountants
Firm Reg. No. 004501C

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Reg. No. 0039905/S200018

(Neeraj Kumar Agarwal)
Partner
M No.094155

(Prakash Sharma)
Partner
M No.072332

(T.V.Balasubramanian)
Partner
M No.027251

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Reg. No. 109208W

For Ramesh C. Agrawal & Co.
Chartered Accountants
Firm Reg. No. 001770C

For A.R. & Co.
Chartered Accountants
Firm Reg. No. 002744C

(M.S.Balachandran)
Partner
M No. 024282

(Manoj Agrawal)
Partner
M No.076918

(Anil Gaur)
Partner
M.No.017546

Place : New Delhi
Dated : 29th May 2015

Notes forming part of Consolidated Financial Statements

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

Notes forming part of Consolidated Financial Statements

Part 'B': Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013

Sl. No.	Name of Joint Ventures	Latest Audited Balance Sheet Date	Utility Powertech Ltd.	NTPC - ALSTOM Power Services Pvt. Ltd.	NTPC - SAIL Power Company Pvt. Ltd.	NTPC - Taminadu 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.	Shares of Joint Ventures held by the Company on the year end as at 31.03.2015													
-	Number	2,000,000												
-	Amount of Investment in Joint Venture (₹ crore)	1.00												
-	Extent of Holding (%)	50.00%												
3.	Description of how there is significant influence	NA												
4.	Reason why the Joint Venture is not consolidated	NA												
5.	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ crore)	27.16												
6.	Profit / Loss for the Year													
i	Considered for Consolidation (₹ crore)	11.61												
ii	Not Considered in Consolidation	NA												

Notes forming part of Consolidated Financial Statements

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013

Sl. No.	Name of Joint Ventures	Latest Audited Balance Sheet Date	International Coal Ventures Pvt. Ltd.	National High Power Test Laboratory Pvt. Ltd.	Transformers & Electricals Kerala 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.			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		1,400,000	23,900,000	19,163,438	22,500,000	25,000	49,000	1,500,000	2,036,061	2,000,000
-	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 forming part of Consolidated Financial Statements

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.

	For and on behalf of the Board of Directors	
(A.K.Rastogi) Company Secretary	(K.Biswal) Director (Finance)	(Dr. Arup Roy Choudhury) Chairman & Managing Director
For O. P. Bagla & Co. Chartered Accountants Firm Reg. No. 000018N	For PSD & Associates Chartered Accountants Firm Reg. No. 004501C	For PKF Sridhar & Santhanam LLP Chartered Accountants Firm Reg. No. 003990S/S200018
(Neeraj Kumar Agarwal) Partner M No.094155	(Prakash Sharma) Partner M No.072332	(T.V.Balasubramanian) Partner M No.027251
For V. Sankar Aiyar & Co. Chartered Accountants Firm Reg. No. 109208W	For Ramesh C. Agrawal & Co. Chartered Accountants Firm Reg. No. 001770C	For A.R. & Co. Chartered Accountants Firm Reg. No. 002744C
(M.S.Balachandran) Partner M No. 024282	(Manoj Agrawal) Partner M No.076918	(Anil Gaur) Partner M.No.017546

Place : New Delhi

Dated : 29th May 2015

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NTPC LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of NTPC Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its jointly controlled entities as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

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.

Other Matters

(a) We did not audit the financial statements / financial information of the following subsidiaries and jointly controlled entities whose financial statements / financial information reflect the details given below of assets as at 31st March 2015, total revenues and net cash flows for the year ended on that date to the extent to which they are reflected in the Consolidated Financial Statements:

(₹ in crore)

Name of the Companies	Assets	Total Revenues	Net Cash Flows
Subsidiaries:			
1) NTPC Electric Supply Company Ltd	644.94	23.64	(148.56)

Name of the Companies	Assets	Total Revenues	Net Cash Flows
2) NTPC Vidyut Vyapar Nigam Ltd.	1,166.21	3,887.97	(290.16)
3) Kanti Bijlee Utpadan Nigam Ltd	3,827.87	460.45	34.27
4) Bhartiya Rail Bijlee Company Ltd.	5,237.45	-	86.32
Total	10,876.47	4,372.06	(318.13)
Joint Ventures:			
1) Utility Powertech Ltd.	130.71	295.39	(2.47)
2) NTPC-Alstom Power Services Pvt. Ltd.	62.54	34.93	4.14
3) NTPC-SAIL Power Company Pvt. Ltd.	1,671.00	811.50	(20.10)
4) NTPC Tamilnadu Energy Company Ltd.	4,712.71	986.41	(17.83)
5) Aravali Power Company Pvt. Ltd.	4,907.60	2,225.70	3.55
6) Meja Urja Nigam Pvt. Ltd.	1,897.31	-	5.79
7) Anushakti Vidyut Nigam Ltd.	0.01	-	-
8) Nabinagar Power Generating Company Pvt. Ltd.	2,055.33	-	17.57
9) BF-NTPC Energy Systems Ltd.	2.94	-	-
10) National High Power Test Laboratory Pvt. Ltd	50.71	-	3.33
Total	15,490.86	4,353.93	(6.02)

These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management upto 22nd May 2015 and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and jointly controlled entities is based solely on the reports of the other auditors.

(b) We did not audit the financial statements / financial information of the following jointly controlled entities whose financial statements / financial information reflect the details given below of assets as at 31st March 2015, total revenues and net cash flows for the year ended on that date to the extent to which they are reflected in the Consolidated Financial Statements:

(₹ in crore)

Name of the Companies	Assets	Total Revenues	Net Cash Flows
Joint Ventures:			
1) Ratnagiri Gas & Power Pvt. Ltd.	2,968.78	52.54	(25.67)
2) NTPC-SCCL Global Venture Pvt. Ltd.	0.05	-	-
3) NTPC-BHEL Power Project Pvt. Ltd	375.98	296.26	(6.85)
4) National Power Exchange Ltd.	1.14	0.09	0.03
5) International Coal Venture Pvt. Ltd.	2.31	-	0.09
6) Transformers and Electricals Kerala Ltd.	59.81	59.03	(6.54)
7) Energy Efficiency Services Ltd.	78.94	17.58	1.19
8) CIL NTPC Urja Pvt. Ltd.	0.01	-	-
9) Pan-Asian Renewables Private Ltd.	0.27	0.04	(0.35)
10) Trincomalee Power Company Ltd.	7.78	0.29	(1.39)
11) Bangladesh India Friendship Power Company Pvt. Ltd.	40.53	-	3.09
12) 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	12.91	23.52	0.85
Total	3,548.51	449.35	(35.55)

These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid jointly controlled entities, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, its subsidiaries and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, and jointly controlled companies incorporated in India, none of the directors of the Group companies, and its jointly controlled companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its jointly controlled entities. Refer Note 35, 36 and 52 to the consolidated financial statements.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary and jointly controlled companies incorporated in India.

For O. P. Bagla & Co.
Chartered Accountants
Firm Reg. No. 000018N

(Neeraj Kumar Agarwal)
Partner
M No.094155

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Reg. No. 109208W

(M.S.Balachandran)
Partner
M No. 024282

For PSD & Associates
Chartered Accountants
Firm Reg. No. 004501C

(Prakash Sharma)
Partner
M No.072332

For Ramesh C. Agrawal & Co.
Chartered Accountants
Firm Reg. No. 001770C

(Manoj Agrawal)
Partner
M No.076918

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Reg. No. 003990S/S200018

(T.V.Balasubramanian)
Partner
M No.027251

For A.R. & Co.
Chartered Accountants
Firm Reg. No. 002744C

(Anil Gaur)
Partner
M.No.017546

Place : New Delhi

Dated : 29th May 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 of the Independent Auditors' Report of even date to the members of NTPC Limited on the consolidated financial statements as of and for the year ended March 31, 2015

- (i) (a) In our opinion, and according to the information and explanations given to us, and the reports of the other auditors on the subsidiary and jointly controlled companies incorporated in India as furnished to us, the Holding Company, its subsidiary and jointly controlled companies incorporated in India are maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the respective Managements of the Holding Company, its subsidiary and jointly controlled companies incorporated in India according to a phased programme designed to cover all the items over a period of one to two years which, in our opinion, is reasonable having regard to the size of the aforesaid Holding Company, its subsidiary and jointly controlled companies incorporated in India and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the respective Managements of the aforesaid Holding Company, its subsidiary and jointly controlled companies incorporated in India during the year and no material discrepancies have been noticed on such verification.
- (ii) (a) The inventory has been physically verified by the respective Managements of the Holding Company, its subsidiary and jointly controlled companies incorporated in India during the year in respect of those companies which are holding inventory. In our opinion and based on the reports of the other auditors on the subsidiary and jointly controlled companies incorporated in India as furnished to us, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the respective Managements of the Holding Company, its subsidiary and jointly controlled companies incorporated in India are reasonable and adequate in relation to the size of the aforesaid Holding Company, its subsidiary and jointly controlled companies incorporated in India.
- (c) On the basis of our examination of the inventory records and the reports of the other auditors, in our opinion, the Holding Company, its subsidiary and jointly controlled companies incorporated in India are maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory of the aforesaid Holding Company, its subsidiary and jointly controlled companies incorporated in India as compared to the respective book records were not material.
- (iii) The Holding Company, its subsidiary and jointly controlled companies incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- Therefore, the provisions of Clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable to the Holding Company, its subsidiary and jointly controlled companies incorporated in India.
- (iv) In our opinion, and according to the information and explanations given to us, and the reports of the other auditors on the subsidiary and jointly controlled companies incorporated in India as furnished to us, there is an adequate internal control system commensurate with the size of the Holding Company, its subsidiary and jointly controlled companies incorporated in India and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the aforesaid Holding Company and the reports of the other auditors on the subsidiary and jointly controlled companies incorporated in India as furnished to us, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) In our opinion and according to the information and explanations given to us, the Holding Company has complied with the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under with regard to the deposits accepted from the public except for deposits obtained by the Holding Company from the dependants of employees who die or suffer permanent total disability for which the Company has applied to Ministry of Corporate Affairs, Government of India for continuation of the exemption earlier obtained in respect of applicability of Section 58 A of the Companies Act, 1956, which is still awaited. The Subsidiaries and jointly controlled companies incorporated in India have not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under to the extent notified. No order has been passed with respect to Section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- (vi) We have broadly reviewed the accounts and records maintained by the Holding Company and based on the reports of the other auditors of the subsidiaries and jointly controlled companies incorporated in India pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained, wherever applicable. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.
- (vii) (a) According to the information and explanations given to us and the records of the Holding Company examined by us, and based on the reports of the other auditors of the subsidiaries and jointly controlled companies incorporated in India, in our opinion, Holding company, its Subsidiaries and jointly controlled companies incorporated in India are regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, wealth tax,

service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities and there are no undisputed dues outstanding as at 31st March 2015 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records of the Holding Company examined by us, and based on the reports of the other auditors of the Holding company's subsidiaries and jointly controlled companies incorporated in India, the following dues of income tax, sales tax, service tax, wealth-tax, duty of customs, duty of excise, value added tax and cess as at March 31, 2015 which have not been deposited on account of a dispute:

Sl. No.	Name of Statute	Nature of dues	Forum where the dispute is pending	₹ Crore
1	Central Sales Tax and Sales Tax / VAT, Entry tax Acts of various states	Sales Tax/ VAT/ Entry Tax	Additional Commissioner of Sales Taxes	6.69
			Commissioner of Sales Tax	14.12
			High Court	232.78
			Sales/Trade Tax Tribunal	20.74
			Joint Commissioner (Appeal) Trade tax	1.16
			Additional Commissioner of Commercial Tax	5.59
			Commercial tax officer	76.28
2	Central Excise Act, 1944	Central Excise Duty/ Service Tax	Appellate Tribunal	1.00
			CESTAT & Appellate Tribunal of CEST	909.39
			Commissioner of service tax (appeal)	0.55
3	Income Tax Act, 1961	Income Tax	High Court	14.97
			Income Tax Appellate Tribunal	31.89
			Income Tax Officer	0.43
			Dy. Commissioner of Income tax	3.82
			CIT (Appeal)	46.40
			High Court	3.35
Total			Supreme Court	0.98
				1,370.14

- (c) According to the information and explanations given to us, the Holding Company, its subsidiary and jointly controlled companies incorporated in India have transferred the amounts to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 (1 of 1956) and the rules made there under.
- (viii) As per the consolidated financial statements, there are no accumulated losses and no cash losses have been incurred during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) According to the information and explanations given to us and the records of the Holding Company examined by us, and based on the reports of the other auditors of the Holding company's subsidiaries and jointly controlled companies incorporated in India, in our opinion, Holding company, its Subsidiaries and jointly controlled companies incorporated in India have not defaulted in repayment of dues to financial institutions, banks or debenture holders. In case of M/s Ratnagiri Gas & Power Pvt. Ltd., a jointly controlled company in which the Company has 28.91% share, whose accounts are un-audited, 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 76 to 533 days.
- (x) In our opinion, and based on the reports of the other auditors furnished to us and according to the information and explanations given to us, the Holding Company, its subsidiary and jointly controlled companies incorporated in India have not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the aforesaid Holding Company, its subsidiary and jointly controlled companies.
- (xi) According to the information and explanations given to us and the records of the Holding Company examined by us, and based on the reports of the other auditors of the Holding company's subsidiaries and jointly controlled companies incorporated in India, in our opinion, Holding company, its Subsidiaries and jointly controlled companies incorporated in India the term loans have been applied for the purpose for which they were obtained.

- (xii) During the course of our examination of the books and records of the Holding Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us and based on the reports of the other auditors, we have neither come across any instance of material fraud on or by the Holding Company, its subsidiaries and jointly controlled companies incorporated in India, noticed or reported during the year, nor we have been informed of any such case by the Management of the aforesaid Holding Company or reported in the audit reports of its subsidiaries and jointly controlled companies incorporated in India.

For O. P. Bagla & Co.
Chartered Accountants
Firm Reg. No. 000018N

(Neeraj Kumar Agarwal)
Partner
M No.094155

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Reg. No. 109208W

(M.S.Balachandran)
Partner
M No. 024282

For PSD & Associates
Chartered Accountants
Firm Reg. No. 004501C

(Prakash Sharma)
Partner
M No.072332

For Ramesh C. Agrawal & Co.
Chartered Accountants
Firm Reg. No. 001770C

(Manoj Agrawal)
Partner
M No.076918

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Reg. No. 003990S/S200018

(T.V.Balasubramanian)
Partner
M No.027251

For A.R. & Co.
Chartered Accountants
Firm Reg. No. 002744C

(Anil Gaur)
Partner
M.No.017546

Place : New Delhi

Dated : 29th May 2015

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NTPC LIMITED FOR THE YEAR ENDED 31 MARCH 2015 AND MANAGEMENT REPLIES THEREON

Comment	Management Reply
<p>The preparation of Consolidated Financial Statements of NTPC Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under Section 143 read with section 129(4) of the Act based on independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 May 2015.</p> <p>I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) read with Section 129(4) of the Act of the Consolidated Financial Statements of NTPC Limited for the year ended 31 March 2015. We conducted a supplementary audit of the financial statements of NTPC Limited, Kanti Bijlee Utpadan Nigam Limited, Bhartiya Rail Bijlee Nigam Limited, Aravali Power Company Private Limited, NTPC Tamilnadu Energy Company Limited, Meja Urja Nigam Private Limited, Nabinagar Power Generating Company Private Limited, NTPC-SAIL Power Company Private Limited and National High Power Test Laboratory Private Limited but did not conduct supplementary audit of the financial statements of subsidiaries, associate companies and jointly controlled entities listed in Annexure for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matter under Section 143(6)(b) read with Section 129(4) of the Act which has come to my attention and which in my view is necessary for enabling a better understanding of the consolidated financial statements and the related Audit Report:</p> <p>Balance Sheet</p> <p>Fixed Assets</p> <p>Tangible Assets (Note No.12)</p> <p>Capital Expenditure on assets not owned by the Company (Net Block)- ₹ 89.39 crore</p> <p>Capital work-in-progress - (Note No.13)</p> <p>Capital Expenditure on assets not owned by the Company - ₹ 78.60 crore</p>	

As per provisions of AS-10 highlighted by the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) in their opinion of May 2010 reiterated in July 2011, the expenditure incurred on enabling assets not owned by the Company should be charged off to revenue in the accounting period in which such expenditure is incurred.

The Company, however, capitalized the expenditure incurred on assets not owned by the Company. The Company was requested (September 2014) by Audit, to revise its Accounting Policy in line with the opinion given by EAC of ICAI, if the decision of EAC on the review application of NTPC of October 2011 is not received till finalization of annual accounts of the Company for 2014-15. Though the decision of EAC of ICAI in the matter raised by the Company was not received till finalization of the accounts for 2014-15, the Company did not revise its Accounting Policy on enabling assets not owned by the Company in the current year.

The Company stated that based on their follow up, ICAI issued Exposure Draft of AS-10 which would replace the existing AS-10. The issue is being addressed in the revised AS-10. The reply is to be viewed against the fact that Revised AS-10 has not yet been notified and is likely to have prospective application. Therefore, booking of expenditure on enabling assets not owned by the Company under Tangible Assets and Capital work in progress up to March 2015 has resulted in understatement of "Expenses" by ₹ 167.99 crore and overstatement of "Tangible Assets" (Net block) by ₹ 89.39 crore as well as "Capital work in progress" by ₹ 78.60 crore. Consequently, profit for the year is also overstated by ₹ 167.99 crore.

ANNEXURE

List of subsidiaries, associate companies and jointly controlled entities of NTPC Limited whose financial statements for the year 2014-15 are not audited by the Comptroller and Auditor General of India

A. Subsidiaries incorporated in India

1. NTPC Vidyut Vyapar Nigam Limited
2. NTPC Electric Supply Company Limited

B. Joint Ventures incorporated in India

1. Ratnagiri Gas & Power Pvt. Ltd.
2. NTPC-SCCL Global Ventures Pvt. Ltd.
3. NTPC-BHEL Power Projects Pvt. Ltd.
4. Transformer & Electricals Kerala Ltd.
5. CIL NTPC Urja Pvt. Ltd.
6. Anushakti Vidyut Nigam Ltd.
7. International Coal Ventures Pvt. Ltd.
8. Energy Efficiency Services Ltd.
9. National Power Exchange Ltd.
10. Utility Powertech Ltd.
11. NTPC-Alstom Power Services Pvt. Ltd.
12. BF- NTPC Energy Systems Ltd.
13. Pan-Asian Renewables Pvt. Ltd.

C. Joint Ventures incorporated outside India

1. Trincomalee Power Company Ltd.
2. Bangladesh India Friendship Power Company Pvt. Ltd.

The Company is a Rate Regulated Entity. Accounting of capital expenditure on the assets not owned by the Company was being done by the Company considering the Guidance Note on 'Treatment of Expenditure during Construction Period' since long. With the withdrawal of the above guidance note, accounting of such expenditure is being done in line with the provisions of Para 9.1 and 10 of AS 10 on 'Accounting for Fixed Assets' which provides that expenditure on assets which is directly attributable to the construction of the power project should be capitalized.

The balances appearing under the head 'Capital expenditure on assets not owned by the company' in Tangible Assets and Capital Work-in-Progress represents expenditure incurred on roads, construction power lines, etc.

Expenditure incurred on these assets is directly attributable to the construction of the power projects without which the construction of projects of the Company would not be possible. In the opinion of the Management, such expenditure is necessary for bringing the asset to the location and condition necessary for it to be capable for operating in the manner intended by the management.

Accordingly, a reference has been made to the Expert Advisory Committee of the Institute of Chartered Accountants of India for review of its opinion which is still awaited. Pending disposal of the reference, the company has continued its existing practice of capitalization of such expenditure which has been followed consistently over the years. This has also been disclosed in Note No.12 (h) of the Consolidated Financial Statements.

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

(Tanuja S.Mittal)
Principal Director of Commercial Audit & Ex-officio
Member, Audit Board – III, New Delhi

For and on behalf of the
Board of Directors

(Dr.Arup Roy Choudhury)
Chairman and Managing Director

Place : New Delhi
Dated: 27 July 2015

Place : New Delhi
Dated : 30 July,2015

NTPC Limited

CIN: L40101DL1975GOI007966

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

Tel : 011-2436 0100 Fax: 011-24361018. Web : www.ntpc.co.in Email: ntpccc@ntpc.co.in

ATTENDANCE SLIP

39TH ANNUAL GENERAL MEETING TO BE HELD ON FRIDAY, 18TH SEPTEMBER, 2015 AT 10.30 A.M.

NAME OF THE ATTENDING MEMBER (IN BLOCK LETTERS)	
*Folio No.	
DP ID No.	
Client ID No.	
No. of shares Held	
NAME OF PROXY (IN BLOCK LETTERS, TO BE FILLED IN IF THE PROXY ATTENDS INSTEAD OF THE MEMBER)	

I, hereby record my presence at 39th Annual General Meeting of the Company held on Friday, 18th September, 2015 at Manekshaw Centre, Parade Road, New Delhi – 110010.

Signature of Member/ Proxy

*Applicable in case of shares held in Physical Form.

NOTES:

1. The attendance slip should be signed as per the specimen signature registered with Karvy Computershare Private Limited, Registrar & Transfer Agent (RTA)/ Depository Participant (DP). Such duly completed and signed Attendance Slip(s) should be handed over at the RTA counter(s) at the venue against which RTA will provide admission card. Entry to the hall will be strictly on the basis of admission card as provided by RTA. Members in person and Proxy holders may please carry photo-ID card for identification/verification purposes.
2. Shareholder(s) present in person or through registered proxy shall only be entertained.
3. Due to strict security reasons mobile phones, brief cases, eatables and other belongings are not allowed inside the Auditorium. Shareholder(s)/proxy holder(s) will be required to take care of their belonging(s).
4. No gifts will be distributed at the Annual General Meeting.

NOTES

A series of horizontal dotted lines for writing notes.



NTPC Limited

CIN: L40101DL1975GOI007966

Regd. Office : NTPC Bhawan, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110 003
Tel : 011-2436 0100 Fax: 011-2436 1018. Web : www.ntpc.co.in Email: ntpccc@ntpc.co.in

FORM OF PROXY

Name of the member (s):	
Registered address:	
Folio No/ DP ID- Client Id:	
Email ID	
No. of Shares held	

I/We, being the member (s) of shares of the above named company, hereby appoint:

1.	Name:	Signature:
	Address:	
	E-mail Id:	
Or failing him		
2.	Name:	Signature:
	Address:	
	E-mail Id:	
Or failing him		
3.	Name:	Signature:
	Address:	
	E-mail Id:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on Friday, 18th September, 2015 at Manekshaw Centre, Parade Road, New Delhi - 110 010 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	For	Against
Ordinary Business			
1.	Adoption of audited financial statements and consolidated financial statement of the Company for the year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon.		
2.	Confirmation of payment of interim dividend and declare final dividend for the year 2014-15		
3.	Re-appointment of Shri Anil Kumar Jha (DIN: 03590871), who retires by rotation		
4.	Re-appointment of Shri Umesh Prasad Pani (DIN: 03199828), who retires by rotation		
5.	Fixation of remuneration of Statutory Auditors		
Special Business			
6.	Appointment of Shri Anil Kumar Singh (DIN: 07004069), as Director		
7.	Appointment of Shri Kaushal Kishore Sharma (DIN: 03014947) as Director (Operations)		
8.	Raising of funds upto Rs. 5,000 Crore through issue of Bonds/Debentures on Private Placement basis		
9.	Ratification of remuneration of the Cost Auditors for the financial year 2015-16		
10.	Approval for entering into transaction(s) with associate company		

Signed this..... day of..... 20....

Affix Revenue
Stamp of
₹ 1/-

Signature of shareholder _____ Signature of Proxy holder(s) _____

NOTES:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. The Proxy Form should be signed across the stamp as per specimen signature registered with the RTA/Depository Participant (DP).
3. Please put 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

(i) User ID and Password for remote e-voting is provided as below:

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD / PIN

(ii) Please read instruction given overleaf before casting your vote.

General Information and instructions relating to remote e-voting are as under:

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement with Stock Exchanges, a member of the Company holding shares either in physical form or in dematerialized form, may exercise his right to vote by electronic means in respect of the resolution(s) contained in this notice.
2. The Company is providing facility for voting by electronic means to its members to enable them to cast their votes through such voting. The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") as the Authorised Agency to provide remote e-voting facility (i.e. the facility of casting votes by a member by using an electronic voting system from a place other than the venue of annual general meeting).
3. The Company shall also provide facility for voting through polling paper which shall be available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
4. The members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
5. The Board of Directors have appointed Shri Pradeep K. Mittal, Advocate, M/s PKMG Law Chambers as the Scrutinizer, for conducting the voting/poll and remote e-voting process in a fair and transparent manner.
6. The cut-off date for the purpose of voting (Including remote e-voting) is 11th September, 2015.
7. The remote e-voting facility will be available during the following period after which the portal shall forthwith be blocked and shall not be available:
Commencement of remote e-voting: From 9.00 a.m. (IST) on September 15, 2015
End of remote e-voting: Up to 5.00 p.m. (IST) on September 17, 2015
8. The result of voting will be declared within 48 hrs. of the conclusion of the AGM. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company i.e. www.ntpc.co.in and on the website of Karvy <https://evoting.karvy.com>. The results shall simultaneously be communicated to the Stock Exchanges.
9. The procedure and instructions for remote e-voting are as under:
 - a. Open your web browser during the voting period by typing the URL: <https://evoting.karvy.com>
 - b. Enter the login credentials (i.e. User ID and password mentioned in the email forwarding the Notice of AGM or mentioned on the Proxy Form accompanying the Notice of AGM, in case email-id is not registered and physical copy of the Annual Report is being received by you). The said login credentials shall be valid only in case you continue to hold the shares on the cut-off date. Your Folio No./ DP ID Client ID will be your User ID.
 - c. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. September 11, 2015, may obtain the User ID and password in the manner as mentioned below:
 - I. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS: MYEPWD<space> DP ID Client ID or MYEPWD<space> E-Voting Event Number + Folio No. to 9212993399.
 Example for NSDL:
 MYEPWD <SPACE> IN12345612345678
 Example for CDSL :
 MYEPWD <SPACE> 1402345612345678
 Example for Physical :
 MYEPWD <SPACE> XXXX1234567890
 - II. If e-mail address or mobile number of the member is not registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - III. Member may call Karvy's toll free number 1800-3454-001
 - IV. Member may send an e-mail request to evoting@karvy.com.
 - d. If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting. If you forgot your e-voting password, then it can be retrieved as per step (c) (ii) above.
 - e. After entering these details appropriately, click on "LOGIN"
 - f. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You will also be required to enter a secret question and answer of your choice to enable you to retrieve your password in case you forget it.
 - g. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - h. You need to login again with the new credentials.
 - i. On successful login, the system will prompt you to select the E-Voting Event Number for NTPC Limited.
 - j. On the voting page, you will see the Resolution Description and options "FOR/AGAINST/ ABSTAIN" for voting. Enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date, as mentioned above. You may also choose the option "ABSTAIN" in case you do not want to cast vote.
 - k. You may then cast your vote by selecting an appropriate option and click on "SUBMIT".
 - l. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - m. Members holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/ demat accounts.
 - n. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail id: scrutinizer_ntpc@yahoo.in with a copy to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."
 - o. Once the vote on a resolution is casted by a Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote through remote e-voting shall not be allowed to vote again at the Meeting.
 - p. In case of any query pertaining to remote e-voting, please contact Karvy's toll free no. 1800-345-4001 or visit the FAQ's section available at Karvy's website <https://evoting.karvy.com>
 - q. In case of grievances connected to the remote e-voting, please contact Mr. Suresh Babu D, Deputy Manager, Karvy Computershare Private Limited, Karvy Selenium Tower-B, Plot No. 31 & 32, Gachibowli Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032 Phone No.: 040-67161518, E-mail: suresh.d@karvy.com.

Location Map



Details :
From Dhaula Kuan : 3 KM; Dwarka Rd to : 15 KM; From Vasant Vihar : 3 KM.

NOTES

A series of horizontal dotted lines for writing notes.

Achievements & Accolades



On the occasion of Hindi Diwas, President of India Shri Pranab Mukherjee presented the first prize to NTPC's Hindi Journal "Vidyut Swar" for the year 2013-14. The award was received by Dr. Arup Roy Choudhury, CMD NTPC.



NTPC bagged the Best Performing Thermal Power Utility award of CBIP. Shri A.K. Jha, Director(Technical) received the award from Union Minister of State for Water Resources, River Development and Ganga Rejuvenation Prof. Sanwar Lal Jat at a function held in New Delhi.



NTPC Ltd. has been given an award for 'Excellence in Financial Reporting' in 'Infrastructure and Construction Sector (Turnover more than Rs 500 crore)' category for the financial year 2013-14 by the Institute of Chartered Accountants of India. The award was given in recognition of adopting best accounting practices in preparation of financial statements, policies for disclosure & presentation of financial statements.

The award was received by Shri K. Biswal, Director (Finance) at a function held by the Institute at Chennai.



NTPC Limited the largest power utility of the country has been adjudged the Maharatna of the Year- Manufacturing by the premier Investment Journal Dalal Street.

The Award was received by Dr. Arup Roy Choudhury, CMD NTPC and Shri K.K. Sharma, Director (Opns) from Shri K .D. Tripathi, Secretary DPE at the 6th DSIJ Awards Ceremony held in New Delhi.



CMD and Directors of NTPC Limited



A Maharatna Company

NTPC Limited

(A Govt. of India Enterprise)

(CIN : L40101DL1975GOI007966)

Regd. Office: NTPC Bhawan, SCOPE Complex, 7, Institutional Area,
Lodi Road, New Delhi - 110003, Tel No. : 011-24387333, Fax No. : 011-24361018
E-Mail: ntpccc@ntpc.co.in; Website : www.ntpc.co.in