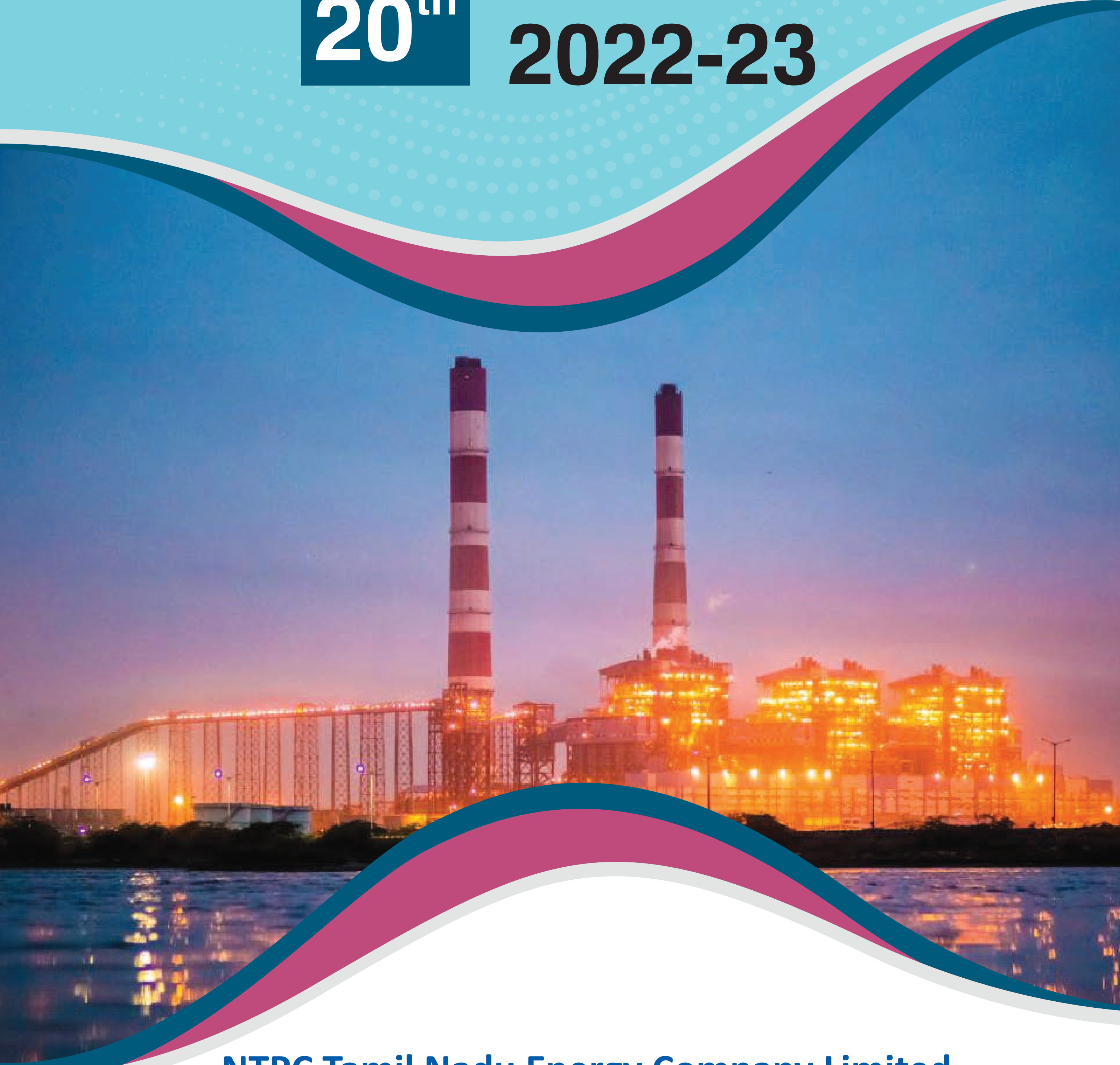
NTECL

20th Annual Report 2022-23



NTPC Tamil Nadu Energy Company Limited

(A Joint Venture of NTPC Ltd. & TANGEDCO)

Reference Information

Registered Office

NTPC Bhawan, SCOPE Complex,
7, Institutional Area, Lodhi Road,
New Delhi-110 003
Email: amit1106.acs@gmail.com
Website : www.ntpcntecljv.co.in
CIN: U40108DL2003PLC120487

JOINT VENTURE PARTNERS

1. NTPC Umited,
   NTPC Bhawan, SCOPE Complex,
   7, Institutional Area, Lodhl Road,
   New Delhi-110 003
2. Tamil Nadu Generation and
   Distribution Corporation Umited (TANGEDCO)
   10th floor, NPKRR Maaligai,
   144, Anna Salal, Chennal - 600 002

SECRETARIAL AUDITOR

M/s. J.K. Gupta & Associates
Company Secretaries

STATUTORY AUDITORS

M/s. S.P. Associates
Chartered Accountant

CHIEF EXECUTIVE OFFICER

Shri S.K. Singh (Upto 30.4.2023)
Shri Asesh Kumar Chattopadhyay (w.e.f. 17.5.2023)

COMPANY SECRETARY

Shri Amit Garg

Board of Directors

Shri Ramesh Babu V.
Chairman

Shri Rajesh Lakhani
IAS, Director (w.e.f. 11.6.2021)

Ms. M. Maheswari Bai
Director (upto 31.5.2023)

Shri A N Sahay
Independent Director (upto 23.9.2022)

Shri Ashwini Kumar Tripathy
Director (upto 31.5.2023)

Shri Sandeep Aggarwal
Director (w.e.f. 17.12.2021)

Shri Dharmalingam Rajendran
Director (w.e.f 28.12.2022)

Shri Sivakumar Chilakapati
Director (w.e.f 22.06.2023)

BANKERS

SBI

Union Bank of India

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Chairman's Message on 20th AGM of NTECL

I welcome you all on the occasion of the 20th Annual General Meeting of NTPC Tamil Nadu Energy Company Ltd.

Your company has set new benchmarks in operational and financial performance in the year 2022-23, surpassing the excellent performance achieved in the previous two consecutive years.

Some of the major highlights are:

- Registered highest ever profit after tax of Rs. 848 Crores against last year's PAT of Rs. 798 Crores
- Generated highest ever total revenues of Rs. 5874 Crore against Rs. 4925 Crore previous year.
- In operational front, Vallur TPS has achieved Highest ever Generation of 9789 MU @ PLF of 74.5% an increase of 14.27% over previous year.
- Continuing efforts to maintain fuel security, Vallur TPS has achieved highest domestic coal receipt of 71.41 LMT, an increase of 12.5 LMT over previous best, achieved in last year.
- Excellence in the area of Safety and Environment has been recognised in the form of Awards like, CII National award for 'Excellence in energy management', Water sustainability award from TERI-IWA-UNDP, to name a few.

Challenges ahead:

- With the further advancement of renewables, and integration with the grid, Thermal power needs to take the challenges of Flexibility and adaptability. Increasing requirements of variability of demand, increasing ramping requirements and short-term frequency variations requires adapting to new practices and systems. To keep our machines efficient and reliable is going to be the challenge area.

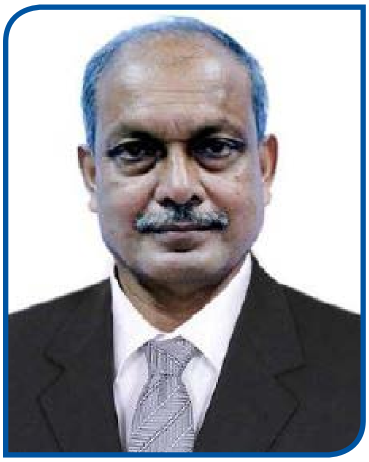
- To comply with the latest emission norms, installation of FGD system, for reduction of Sox, is in progress and commissioning activities atr about to start. Even with constraints from supply and construction side, we are confident of meeting the revised deadlines set by MoEF. This being a new area of operation, developing required expertise and stabilise operations quickly will be requiring extra effort from our employees.
- Overall ash utilisation was less at 70% last year mainly due to factors beyond our control, however extra efforts will be put to compensate the same and to achieve the environmental norms in the coming years.

Our commitment to ensure inclusive growth and wellbeing of communities in our neighbourhood, has been well demonstrated by spending Rs 13 Crores in FY 2022-23 (highest yearly spent by the company on CSR, so far) in the area of education, women empowerment, promoting education and enhancement of vocational skills.

I take this opportunity to place on record my sincere thanks and gratitude to NTPC, TANGEDCO, our valued Customers, Auditors, Vendors, other authorities and agencies for providing unstinted support.

I convey my appreciation to my colleagues on the Board for their invaluable contribution in strengthening the Company and look forward for continued support, to take NTECL to greater heights.

Chief Executive Officer's message



I am delighted to share with you the performance of NTECL for the year 2022-23, which is remarkable in terms of performance and achievements.

Operational Performance:

In FY 2022-23, NTECL has achieved highest generation of 9789 MU @ 74.5% PLF. And Mar '23, recording Highest monthly Generation of 1001 MU @90% PLF, and Best monthly APC of 6.24% since inception.

To match with the generation, Station also recorded highest coal receipt of 75.21 LMT of which 71 LMT from domestic coal sources. However, Ash utilization lagged behind at 70% due to delay in sale auction process due to court directions (NGT stay on petition by ash brick manufactures).

The excellent operational performance was recognized by winning awards like, CII award for Excellence in energy management, Water sustainability award by TERI-IWA-UNDP, Managerial excellence award by madras Management association in last year.

Commercial and Financial Performance:

In FY 2022-23, NTECL has registered its highest ever profit of ₹ 848 Crore registering an increase of 50 Cr over previous year. Total revenue from operations was ₹ 5152 Crore which is 22% higher than previous year.

Commercially, NTECL has made a remarkable feat by realising ₹ 5520 Crores of dues from beneficiaries, recorded highest billing of ₹ 5289 Crores and received High Demand Season Energy Incentive of ₹ 5.53 Crores. True-up of tariff Petition for 2014-19 which was released on end of March '23 by CERC had also impacted financial results positively.

Sustainable Growth:

With the focus on cleaner and greener environment, NTECL has taken-up projects for reduction of SOx and NOx. Installation of Flue Gas Desulphurization (FGD) system for reduction in SOx is under construction and first unit is expected to commission in 22-23, and other units before Dec '24, deadline set by MoEF. Work on Combustion Modification for reduction in NOx is completed for all units and is working satisfactorily.

NTECL is fully committed to provide a safe and healthy work environment to its employees. Through continuous emphasis on total conformance to Safety systems and strict compliance work procedures, we build a strong safety culture and in turn wellbeing of our employees.

Corporate Social Responsibility:

As a responsible power generator, NTECL implemented CSR initiatives focusing on health, infrastructure & education area and in FY 22-23 recorded highest yearly CSR spending of ₹ 13 Crores. Major activities undertaken are:

- Upliftment of Marginalized and weaker sections of society: Setting up of nursery for rehabilitation of HIV patients, Integrated Cattle Farming for rehabilitation of transgender Community, Construction of houses for Irular tribe people
- Education: Alternative education and skill development training in government schools, Setting up of Karpoor Vatam (Study Circles) in 14 panchayat unions, Girl Empowerment Mission Workshop for school students, Construction of six school buildings
- Infrastructure Development: Rejuvenation of 3 large Lakes, Rejuvenation of 5 ponds, construction of three pools under Amrit Sarovar Project. Setting up of Solid Waste Management system at vallur, Additional Infrastructure in the Primary Health Centers

I appreciate the hard work & commitment exhibited by our employees for these achievements. I wish to express my gratitude to our business partners for all the supports in achieving yet another year of excellent performance. With Coal based electricity generation remaining to support economic growth for our country for coming years, NTECL shall further improve performance and deliver sustainable returns for our shareholders. Thank you.

NTPC Tamil Nadu Energy Company Limited
CIN: U40108DL2003PLC120487
Regd. Office: NTPC Bhawan, Core-7, SCOPE Complex, 7, Institutional Area,
Lodhi Road, New Delhi-110 003
Tel. no.: 011-24387789 Fax: 011-24360241
Email: amit1106.acs@gmail.com Website: www.ntpcntecljv.co.in

NOTICE

NOTICE is hereby given that the **20th Annual General Meeting** of the Members of **NTPC Tamil Nadu Energy Company Limited** will be held on **Friday, 29th September, 2023 at 3.30 P.M at Registered Office of the Company at NTPC Bhawan, Core-7, SCOPE Complex,7, Institutional Area, Lodhi Road, New Delhi-110003** to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March 2023, the reports of the Board of Directors, Independent Auditors' Report and the comments of the Comptroller & Auditor General of India thereon and to pass the following resolution as an **Ordinary Resolution**:

   "Resolved that the audited Financial Statement of the Company for the financial year ended 31st March 2023 and reports of the Board of Directors, Independent Auditors' Report and the comments of the Comptroller & Auditor General of India thereon be and are hereby received, considered and adopted."

2. To fix the remuneration of the Statutory Auditors for the financial year 2023-24 and to pass the following resolution as an **Ordinary Resolution**:

   "Resolved that the Board of Directors be and is hereby authorised to fix an appropriate remuneration of Statutory Auditors of the Company as appointed by the Comptroller and Auditor General of India for the financial year 2023-24 after taking into consideration the increase in volume of work and prevailing inflation."

3. To appoint a Director in place of **Mr. Sandeep Aggarwal (DIN: 08553176)**, who retires by rotation and being eligible, offers himself for re-appointment and to pass the following resolution as an **Ordinary Resolution**:

   "Resolved that in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, **Mr. Sandeep Aggarwal (DIN: 08553176)**, who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company".

4. To confirm payment of interim dividend for the financial year 2022-23 and to pass the following resolution as an **Ordinary Resolution:**

   "Resolved that first interim Dividend of Rs. 150,24,70,334/- @5.23% of the paid-up equity share capital of the Company for the period upto 31.03.2022, second interim dividend of Rs. 200,23,36,180/- @ 6.97% of the paid-up equity share capital of the Company for the period upto 30.09.2022 and third interim dividend of Rs. 400,17,99,568/- @ 13.93% of the paid-up equity share capital of the Company for the period upto 31.12.2022. Thus, a total Dividend of Rs 750,66,06,082/-

@ 26.13% for the period for Financial Year 2022-23 be and is hereby declared out of the profits of the Company for the financial year 2022-23"

SPECIAL BUSINESS:

5. To ratify the remuneration of the Cost Auditors for the financial year 2022-23 and authorizing Board to fix remuneration of Cost Auditors for the financial year 2023-24 and in this regard to consider and if thought fit, to pass 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)], the Company hereby ratifies the remuneration of Rs. 75,000/- (Rupees Seventy Five Thousand only) as approved by the Board of Directors payable to Cost Auditors to be appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2022-23 and authorizing Board to fix remuneration of Cost Auditors for the financial year 2023-24 as per detail 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 authorized to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient for giving effect to this resolution."

6. To appoint Shri Dharmalingam Rajendran, Director (Generations), TANGEDCO (DIN: 09827294), 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, other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, Shri Dharmalingam Rajendran Director(Generations), TANGEDCO (DIN: 09827294), who was appointed as an Additional Director by the Board of Directors on 28.12.2022 to hold office upto the date of 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 the candidate under Section 160 of the Companies Act, 2013 signifying his candidature as the Director of the Company, be and is hereby appointed as Director of the Company and he shall be liable to retire by rotation".

7. To appoint Shri Sivakumar Chilakapati, ED (USSC), NTPC (DIN: 10097385), 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, other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, Shri Sivakumar Chilakapati, ED (USSC), NTPC (DIN: 10097385), who was appointed as an Additional Director by the Board of Directors on **22.06.2023** to hold office upto the date of 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 the candidate under Section 160 of the Companies Act, 2013 signifying his candidature as the Director of the Company, be and is hereby appointed as Director of the Company and he shall be liable to retire by rotation".

8. **To Approve the increase of authorized share capital of the Company from Rs. 30,00,00,00,000 to Rs. 35,00,00,00,000 and to Alter the Memorandum and Article of Association of the Company 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 13, Section 14, Section 61(1)(a), Section 64 read with Rule 15 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory amendment(s), modification(s) thereto or re-enactment(s) thereof, for the time being in force), and subject to the approval of members of the Company, the consent of Board of Directors be and is hereby accorded to increase the authorised share capital of the Company from Rs. 30,00,00,00,000/- (Rupees Three Thousand Crore) divided into 3,00,00,00,000 (Three Hundred crore) Equity Shares of Rs. 10/- (Rupees Ten) each to Rs. 35,00,00,00,000/- (Rupees Thirty-Five Hundred Crore) divided into 3,50,00,00,000/- (Three Hundred Fifty Crore) Equity Shares of Rs. 10/- (Rupees Ten) each.

RESOLVED FURTHER THAT pursuant to Section 13 and other applicable provisions, if any, of Companies Act, 2013, and subject to the approval of members of the Company, the consent of Board of Directors be and is hereby accorded for substituting the existing Clause V of the Memorandum of Association of the Company with the following Clause:

"V. The Authorized Share Capital of the Company is Rs. 35,00,00,00,000/- (Rupees Thirty-Five Hundred Crore divided into 3,50,00,00,000/- (Three Hundred Fifty Crore) Equity Shares of Rs. 10/- (Rupees Ten) each."

RESOLVED FURTHER THAT pursuant to Section 14 and other applicable provisions, if any, of Companies Act, 2013, and subject to the approval of members of the Company, the consent of Board of Directors be and is hereby accorded for substituting the existing Clause 1 (Share Capital) of the Articles of Association of the Company with the following Clause:

"SHARE CAPITAL

1. **The Authorized Share Capital of the Company is as mentioned in Clause V of the Memorandum of Association of the Company."**

RESOLVED FURTHER THAT any Director(s)/ Company Secretary of the Company be and are hereby individually or severally authorized to do all such act(s), deed(s) and things including execution of all forms, documents, filing of e-forms with the Registrar of Companies, NCT of Delhi & Haryana, which are necessary and incidental thereto for giving effect to the foregoing resolution**."**

By order of the Board of Directors

Sd/-
(Amit Garg)
Company Secretary

Place: New Delhi
Date: 29th September, 2023

Notes:-

1. The relevant explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, in respect of the 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 representative 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. Brief resume of the Directors seeking appointment or re-appointment at Annual General Meeting (AGM) is annexed hereto and forms part of the Notice.

6. 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 19th Annual General Meeting held on September 21, 2022, authorized the Board of Directors to fix the remuneration of Statutory Auditors for the financial year 2022-23.Accordingly, the Board of Directors in their meeting held on 10.5.2022 has fixed audit fee of Rs. 3,25,000/- (Rupees Three Lakh twenty-Five Thousand only) for the Statutory Auditors for the Financial year 2022-23 i.e. M/s S. P. Associates, Chartered Accountants, in addition to applicable Goods and service tax (GST) and reimbursement of actual traveling and out-of-pocket expenses for visits to accounting units.

   The Company has received the letter from C&AG regarding appointment of the Statutory Auditors of the Company for the financial year 2022-23 as prescribed under the provisions of Section 139 of the Companies Act 2013. The members may authorize the Board to fix an appropriate remuneration of Statutory Auditors as may be deemed fit by the Board for the year 2023-24, after taking into consideration the volume of work and prevailing inflation.

7. All documents referred to in the accompanying notice and explanatory statements are open for inspection at the registered office of the Company on all working days, except Saturdays and Sunday, between 11.00 A.M. to 3.00 P.M. prior to the scheduled time of Annual General Meeting.

8. As per the provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, Company may give notice etc. through electronic mode i.e. by e-mail as a text or as an attachment to e-mail or as a notification providing electronic link. The Notice of the General Meeting etc. is being sent by electronic mode to all the Members, whose email addresses are available with the Company, unless any Member has requested for a physical copy of the same.

9. To support "Green Initiative" of MCA, GOI Members who have not yet registered their e-mail id or who want to change their e-mail id are requested to approach their respective DP (for electronic holding) or Company (for physical holding), so as to receive all communications electronically including annual report, notices, circulars, etc. sent by the Company from time to time.

10. Specific particulars of the Directors seeking appointment or re-appointment, as required under clause 1.2.5 of Secretarial Standard on General Meeting is annexed hereto and forms part of the Notice.

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

12. The Board of Directors, in its meeting held on 29.06.2022, 28.12.2022 and 10.03.2023 respectively had declared an interim dividend of (Rs. 150,24,70,334/- @ 5.23%, Rs. 200,23,36,180/- @ 6.97% and Rs. 400,17,99,568/- @ 13.93% totaling Rs. 7,506,606,082/- @26.13 % of the paid-up equity share capital of the company out of the profits of the Company for the period ended on 31.03.2022,30.09.2022 and 31.12.2022 respectively.

13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act will be available electronically for inspection by the members during the AGM.

14. Route map for venue of the meeting is enclosed.

Annexure to Notice

EXPLANATORY STATEMENT

Item No. 5

Based on recommendation of Audit Committee, the Board of Directors in its meeting held on 20th September, 2022 has approved the name of M/s Tanmaya S. Pradhan & Co., Cost Accountants, as Cost Auditor. The work was assigned to Cost Auditors and total fee of Rs. 75,000/- is payable for cost audit for the Financial Year 2022-23. The reimbursement of out of pocket expenses, applicable statutory taxes/ levies, filing fee shall be in addition to fees.

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 2022-23 and authorizing Board to fix remuneration of Cost Auditors for the financial year 2023-24.

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. 6

Shri Dharmalingam Rajendran, Director (Generations), TANGEDCO (DIN: 09827294) was appointed as Additional Director on the Board of NTPC Tamil Nadu Energy Company Limited by the Board of Directors on 28.12.2022 pursuant to provisions of Section 161 of the Companies Act, 2013 and as per nomination received from NTPC Limited under Article 101 of the Articles of Association.

His brief resume, inter- alia, giving nature of expertise in specific functional area, shareholding in the Company, other Directorship, Membership/ Chairmanship of Committees and other particulars are enclosed with this Notice.

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

The Board recommends the resolution for your approval.

Item No. 7

Shri Sivakumar Chilakapati, ED (USSC), NTPC (DIN: 10097385) was appointed as Additional Director on the Board of NTPC Tamil Nadu Energy Company Limited by the Board of Directors on 22.06.2023 pursuant to provisions of Section 161 of the Companies Act, 2013 and as per nomination received from NTPC Limited under Article 101 of the Articles of Association.

His brief resume, inter- alia, giving nature of expertise in specific functional area, shareholding in the Company, other Directorship, Membership/ Chairmanship of Committees and other particulars are enclosed with this Notice.

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

The Board recommends the resolution for your approval.

Item No. 8

Board of Directors in its meeting held on 29th September 2023, has approved the increase of Authorized Share Capital from Rs. 300,00,00,00,00 to Rs. 35,00,00,00,000 and to make consequent change in Memorandum and Articles of the company.

The Existing Authorized Share Capital of the Company is Rs. 30,00,00,00,000/- (Rupees Three Thousand Crore) divided into 3,00,00,00,000 (Three Hundred crore) Equity Shares of Rs. 10/- (Rupees Ten) each and the paid-up share capital of the Company is Rs. 28,72,79,22,240/- (Rupees Two Thousand Eight Hundred Seventy-Two Crore Seventy-Nine Lakh Twenty-Two thousand Two Hundred Forty) consisting of 2,87,27,92,224 (Two Hundred Eighty Seven Crore Twenty Seven Lakh Ninety two Thousand Two Hundred Twenty Four) Equity Shares of Rs. 10/- (Rupees Ten) each. The Company proposes to increase its Authorized Share Capital to Rs. 35,00,00,00,000/- (Rupees Thirty-Five Hundred Crore) consisting of 3,50,00,00,000/- (Three Hundred Fifty Crore) Equity Shares of Rs. 10/- (Rupees Ten) each to facilitate any fund raising in future i.e., via further issue of equity shares of the company.

The aforementioned increase in Authorized Share Capital of the Company will also require consequential alteration in Clause V of the Memorandum of Association and Clause 1 (Share Capital) of Articles of Association of the Company.

Pursuant to Section 13, Section 14 and 61(1) of the Companies Act, 2013, the proposed increase in Authorized Share Capital and Alteration of Memorandum and Articles of the company requires the approval of members of the company by way of passing Special Resolution to that effect.

The new Draft Memorandum of Association (MOA) and Articles of Association (AOA) of the company after incorporating the above proposed changes in physical or electronic form will be available for inspection by the members at the Registered Office of the Company during business hours on all working days during working hours up to the date of the meeting. The copies thereof shall also be available for inspection at the meeting.

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.

By order of the Board of Directors

SD/-
(Amit Garg)
Company Secretary

Place: New Delhi
Date: 29th September, 2023

To

ALL SHAREHOLDERS, DIRECTORS, AUDITORS & SECRETARIAL AUDITORS OF THE COMPANY

BRIEF RESUME OF THE DIRECTORS SEEKING RE- APPOINTMENT

Name	**Mr. Sandeep Aggarwal**	**Mr. Dharmalingam Rajendran**	**Mr. Sivakumar Chilakapati**
Date of Birth & Age	01/12/1963 60 Years (DIN No.: 08553176)	30/05/1964 59 Years (DIN No.: 09827294)	04/06/1964 59 Years (DIN No.: 10097385)
Date of Appointment	17.12.2021	28.12.2022	22.06.2023
Qualifications	----------	----------	--------
Expertise in specific functional area	----------	----------	----------
Directorship held in other companies	1. Aravali Power Company Private Limited 2. NTPC Electric Supply Company Limited 3. Utility Powertech Limited	1. Udangudi Power Corporation Limited 2. Tamil Nadu Transmission Corporation Limited 3. Tamil Nadu Generation And Distribution corporation Limited 4. Tamil Nadu Cements Corporation Limited 5. TNEB Limited 6. Maha Tamil Collieries Limited	1. NTPC-SAIL Power Company Limited
Membership/ Chairmanship of Committees across all Public Companies held as on 31.08.2023	**Audit Committee:** Yes **Nomination and Remuneration Committee:** Yes **Corporate Social Responsibility Committee:** Yes	**Audit Committee:** Yes **Nomination and Remuneration Committee:** Yes **Corporate Social Responsibility Committee:** Yes	**Audit Committee:** Yes **Nomination and Remuneration Committee:** Yes **Corporate Social Responsibility Committee:** Yes
No. of shares held in the Company	100	100	100
Attendance in Board Meetings till 31.08.2023	No. of Meetings during his tenure = 8 No. of Meetings attended = 7	No. of Meetings during his tenure = 2 No. of Meetings attended = 2	No. of Meetings during his tenure = N.A No. of Meetings attended = N.A
Relationship with other Directors and KMP	None	None	None


VALLUR


NTECL
VALLUR
76 वां
स्वतंत्रता दिवस समारोह

Directors' Report

To

Dear Members,

Your Directors' have immense pleasure in presenting the Twentieth (20th) Annual Report on the working of your Company for the financial year ended on 31st March 2023 along with Audited Financial Statements, Auditors' Report, Review by the Comptroller & Auditor General of India and Secretarial Audit Report for the reporting period.

(1) PERFORMANCE OF THE COMPANY

NTPC Tamil Nadu Energy Company Ltd. (NTECL), a Joint Venture between NTPC Limited and TANGEDCO (Tamil Nadu Generation & Distribution Corporation Ltd), having an installed capacity of 1,500MW, (3x500MW units) at Vallur Village, Ponneri taluk, Tiruvallur District in Tamil Nadu.

The brief highlights of your Company for the year ended on 31st March 2023 are as under:-

During the Financial year, your Company NTECL had received following awards in the area of Efficiency, safety and Environment. The Details of awards received during the year are as under: -

- National Award for Excellence in Energy Management 2021-22 by CII for Energy Efficient Unit award under the Power Plants category.
- Water Sustainability Awards 2022-23 by TERI-IWA-UNDP under 'Excellence in Water Use Efficiency' category.
- Appreciation from NSC-TN Chapter 'Occupational Health, Safety and Environment Awards'
- "Managerial Excellence Award 2022" by Madras Management Association under Service Sector
- PRSI Silver award for best e-magazine.

Operational Performance of your Company

Sl.	Description	Unit	2022-23	2021-22
1	Commercial Generation	MUs	9788.71	7913.46
2	Energy Sent Out (ESO)	MUs	9101.05	7300.98
3	Plant Load Factor (PLF)	%	74.50	60.22
4	Availability Factor (DC)	%	88.9	89.66
5	Auxiliary Power Consumption (APC)	%	7.03	7.77

Other operational highlights and Achievements of your Company during FY 2022-23 are (previous best in brackets); -

- Highest Generation of 9788.71MUs (9210.85 MUs in FY16-17)
- Highest Coal Receipt of 75.21 LMT (63.54 LMT in FY 16-17)
- PLF increased by 14.27 % and APC reduced by 0.75% on YoY basis.

Environmental Management

- Installation of Flue Gas desulphurisation system for reduction of SOx emissions for three units of Vallur TPS at an investment of Rs 1135 Cr is in progress and expected to be completed in 23-24.
- Burner modification work to control NOx emissions to less than 450 mg/Nm3 completed in all three units.

DIVIDEND

Your Company has approved and declared first interim dividend of Rs.150,24,70,334/- @ 5.23%, second interim dividend of Rs. 200,23,36,180/- @ 6.97% and third interim dividend of Rs.400,17,99,568/- @13.93% respectively of the paid-up equity share capital of the company out of the profit of the Company for the period for FY 2022-23. Thus, your Company had declared and paid total Dividend of Rs 750,66,06,082/- @ 26.13% for the period for Financial Year 2022-23.

FINANCIAL REVIEW

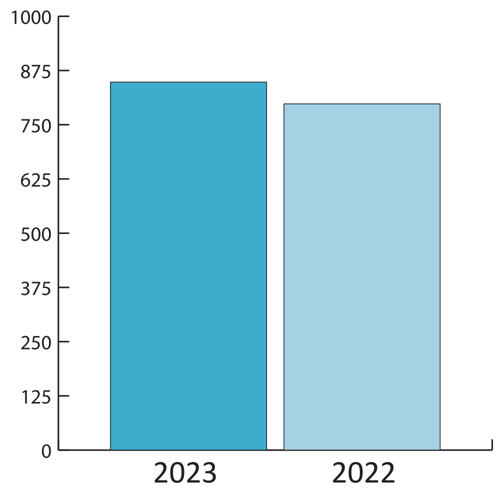
Your Company had generated revenue of Rs. 5151.89 Crore from operations and total comprehensive Income of Rs. 848.24 Crores in the current year as against revenue from operations of Rs. 4,222.06 crores and total comprehensive Income of Rs. 798.11 Crore during FY 2021-22.

The financial highlights of the Company for the year ended on 31st March 2023 are as under:-

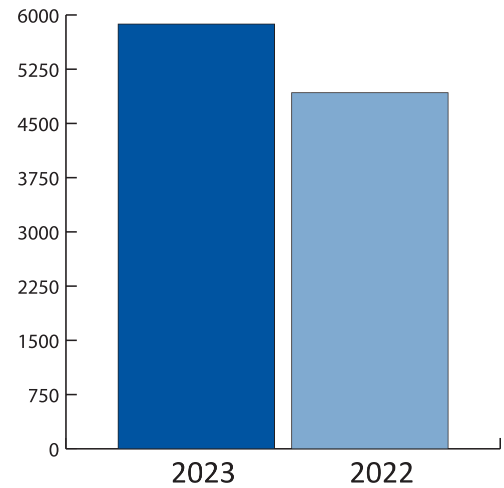
(Rs. In crore)

Balance Sheet Items as at		**31.03.2023**	**31.03.2022**
Paid-up Share Capital	:	**2872.79**	2872.79
Reserves and Surplus	:	**970.33**	843.91
Share Application Money Pending Allotment	:	**60.00**	30.00
Non-current liabilities	:	**3607.20**	3581.35
Current liabilities	:	**2510.21**	1914.92
Non-current assets	:	**7493.20**	6570.81
Current assets	:	**2037.83**	2484.38
Regulatory deferral account debit balances	:	**489.50**	187.78
Items from Statement of Profit and Loss for the year ended	:		
Total Income	:	**5874.29**	4925.00
Total Expenses (incl. regulatory deferral a/c)	:	**4825.15**	3865.91
Profit / (Loss) before Tax and Rate Regulated Activities (RRA)	:	**1049.14**	1059.09
Profit / (Loss) before tax	:	**1049.14**	1059.09
Tax – Current year	:	**194.54**	260.98
Deferred Tax charge / (credit)	:	**308.11**	65.07
Profit / (Loss) after tax for the year	:	**546.49**	733.04
Net movement in regulatory deferral account (net of tax)	:	**301.72**	65.07
Profit for the year	:	**848.21**	798.11
Weighted average number of equity shares used as denominator (Basic)	:	**287,27,92,224**	287,27,92,224
Weighted average number of equity shares used as denominator (Diluted)	:	**287,27,92,224**	287,27,92,224
Earnings per share (Basic) (excluding regulatory deferral account balances)	:	**3.65**	3.68
Earnings per share (Diluted) (excluding regulatory deferral account balances)	:	**3.65**	3.68
Face value per share	:	10.00	10.00

During the Year 2022-23, Financial Statements have been prepared as per IND AS requirements.



Profit for the year



Total Income

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 pursuant to rule 8 of the Companies (Accounts) Rules 2014:

During the period under review, there was no earning in the foreign exchange. The outgo in foreign exchange was INR 416.98 Crore (₹ 1.92 Crore in F.Y 2021-22).

(2) Information on Number of Meeting of the Board held during the financial year 2022-2023:

As on 31.03.2023, there were 6 (Six) Directors on the Board as under:

S. No.	Name of Director	DIN Number	Designation	Date of Appointment
1	Shri Ramesh Babu V.	08736805	Chairman	Chairman w.e.f 11.5.2020
2	Shri Rajesh Lakhani	01288879	Director	Director w.e.f. 11.6.2021
3	Ms. M. Maheswari Bai	07160357	Director	Director w.e.f. 9.8.2016 upto 31.5.2023
4	Shri Dharmalingam Rajendran	09827294	Director	Director w.e.f. 28.12.2022
5	Shri Ashwini Kumar Tripathy	09035116	Director	Director w.e.f. 19.1.2021 upto 31.5.2023
6	Shri Sandeep Aggarwal	08609364	Director	Director w.e.f. 11.6.2021

During the year, seven (7) Meetings of the Board were held on 10.05.2022, 09.06.2022, 29.06.2022, 23.08.2022, 20.09.2022, 28.12.2022 and 10.03.2023.The attendance of Directors in these Meetings are as under:

Name of the Directors	Meeting Number and Date						
	10.05.2022 (101st)	9.06.2022 (102nd)	29.06.2022 (103rd)	23.08.2022 (104th)	20.09.2022 (105th)	28.12.2022 (106th)	10.03.2023 (107th)
Shri Ramesh Babu V., Chairman	Yes (In Person)	Yes (Thru. V.C)	Yes (Thru. V.C)	Yes (Thru. V.C)	Yes (In Person)	Yes (Thru. V.C)	Yes (In Person)
Shri.Rajesh Lakhani, IAS, Director	Yes (In Person)	L.A	Yes (Thru. V.C)	Yes (Thru. VC)	Yes (Thru. V.C)	Yes (Thru. V.C)	L.A

Name of the Directors	Meeting Number and Date						
	10.05.2022 (101st)	9.06.2022 (102nd)	29.06.2022 (103rd)	23.08.2022 (104th)	20.09.2022 (105th)	28.12.2022 (106th)	10.03.2023 (107th)
Ms. M.M Bai, Director (upto 31.5.2023)	Yes (In Person)	Yes (Thru. V.C)	Yes (Thru. VC)	Yes (Thru. VC)	Yes (In Person)	Yes (Thru. V.C)	Yes (Thru. VC)
Shri Ashwini Kumar Tripathy, Director (upto 31.5.2023)	Yes (In Person)	Yes (Thru. V.C)	Yes (Thru. VC)	Yes (Thru. VC)	Yes (In Person)	Yes (Thru. V.C)	Yes (In Person)
Shri R. Eithiraj,Director (upto 31.7.2022)	Yes (In Person)	L.A	Yes (Thru. VC)	N.A	N.A	N.A	N.A
Shri Sandeep Aggarwal, Director	L.A	Yes (Thru. V.C)	Yes (Thru. VC)	Yes (Thru. VC)	Yes (In Person)	Yes (Thru. V.C)	Yes (In Person)
Shri A.N Sahay,Independent Director (upto 23.9.2022)	L.A	L.A	Yes (Thru. VC)	Yes (Thru. VC)	Yes (In Person)	N.A	N.A
Shri D Rajendran, Additional Director (w.e.f 28.12.2022)	N.A	N.A	N.A	N.A	N.A	N.A	Yes (In Person)

In all Board meetings, CEO and Company Secretary were duly present.

LA: Leave of absence

NA: Not applicable

VC: Video Conferencing

3. Committees of the Board

The Board committees are considered as pillars of corporate governance. Our Board has constituted Committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committees. Each Committee of the Board is guided by its Charter, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees are placed before the Board for information and approval respectively. Senior functional executives are also invited, as and when required, to provide necessary information/clarification to the Committees of the Board. We have following sub-committees of the Board as on 31.03.2023:

A. Audit Committee

B. Nomination and Remuneration Committee

C. Corporate Social Responsibility Committee

D. Contract Sub-Committee

(3A) Audit Committee:

The term of reference of Audit Committee is in accordance with Section 177(4) of the Companies Act, 2013 and DPE Guidelines on Corporate Governance for CPSEs, which includes the following:

(i) Discussions with the Auditors about the scope of audit including observations of auditors;

(ii) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that financial statement are correct, sufficient and credible;

(iii) Noting appointment and removal of external auditors. Recommending audit fee of external auditors and also approval for payment for any other service;

(iv) Recommending appointment and remuneration of Cost Auditors;

(v) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

(vi) Approval or any subsequent modification of transactions of the company with related parties;

(vii) Scrutiny of inter-corporate loans and investments;

(viii) Valuation of undertakings or assets of the company, wherever it is necessary;

(ix) Evaluation of internal financial controls and risk management systems;

(x) Monitoring the end use of funds raised through public offers and related matters;

(xi) Receiving the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a nature and reporting the matter to the Board;

(xii) Consider and review the following with the management, internal Auditor and the independent Auditor:

1. Significant findings during the year, including the status of previous audit recommendations;
2. Any difficulties encountered during audit work including any restrictions on the Scope of the activities or access to required information.

(xiii) Review of all financial reports including Annexure to Cost Audit; Reports, Internal Audit reports etc;

(xiv) Review of Management Discussion and Analysis report;

(xv) Review of half-yearly and annual financial statements before submission to the Board for approval, with particular reference to:

1. Change, if any, in accounting policies and practices and reasons for the same;
2. Significant adjustments made in financial statements arising out of audit findings;
3. Disclosure of any related party transactions;
4. Qualifications in audit report.

(xvi) Review of observations of Statutory Auditors and Comptroller and Auditor General of India and

(xvii) Such matters as may be referred to it by the Board of Directors, from time to time.

The constitution of the Audit Committee of the Company as on 31.03.2023 comprised 4 (Four) Members as under:

(i) Ms. M M Bai, Director

(ii) Shri A K Tripathy, Director

(iii) Shri Sandeep Aggarwal, Director

(iv) Shri D Rajendran, Director

The Company Secretary acts as the Secretary to the Committee.

During the Financial year 2022-2023, two (2) Meetings of the Committee were held on 10.5.2022 and 20.9.2022. The attendances of Directors in these Meetings are as under:

Name of the Director	Meeting Date	
	10.5.2022 (40th) (In Person)	20.9.2022 (41st) (In Person)
Shri. A.N. Sahay, Chairman of the Committee (upto 23.9.2022)	L.A	Yes
Shri R. Eithiraj, Director (upto 31.7.2022)	Yes	N.A
Ms. M. M Bai, Director (upto 31.5.2023)	Yes	Yes
Shri A.K Tripathy, Director (upto 31.5.2023)	Yes	Yes
Shri Sandeep Aggarwal, Director	L.A	Yes
Shri D Rajendran, Director (w.e.f. 28.12.2022)	N.A	N.A

(3B) Nomination & Remuneration Committee

The term of reference of Nomination & Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013, which is as under:

(i) Shall identify who may be appointed in senior management in accordance with the criteria laid down, recommend to the board their appointment and removal;

(ii) Shall formulate the criteria for determining qualifications, positive attributes & recommend to the board a policy relating to the remuneration for, KMP & other employees;

(iii) Shall while formulating the policy, NRC ensure that:

1. Relationship of remuneration to performance is clear & meets appropriate performance benchmarks; and

2. Remuneration to KMP and senior management involves a balance between fixed & incentive pay reflecting short & long-term performance objectives appropriate to the working of the company & its goals.

Your Company constituted the Nomination & Remuneration Committee of the Board under requirement of section 178 of the Companies Act, 2013. As on 31st March 2023, the Committee comprises following 4 (Four) members:

(i) Shri A K Tripathy, Director

(ii) Shri Sandeep Aggarwal, Director

(iii) Ms. M M Bai, Director

(iv) Shri D Rajendran, Director

During the Financial year 2022-23, One (1) Meeting of the Committee was held on 23.8.2022.

The attendance of Directors in this Meeting is as under:

Name of the Director	Meeting Date 23.8.2022 (8th) (Thru. V.C)
Shri A.N. Sahay, Chairman of the Committee (upto 23.9.2022)	Yes
Shri A.K Tripathy, Director (upto 31.5.2023)	Yes
Ms. M. Maheswari Bai, Director (upto 31.5.2023)	L.A
Shri R. Eithiraj, Director (upto 31.7.2022)	N.A
Shri Sandeep Aggarwal, Director	Yes
Shri D Rajendran, Director (w.e.f. 28.12.2022)	N.A

As the performance evaluation of Directors nominated by NTPC Ltd and TANGEDCO are carried out by respective promoter / Ministry, therefore the scope of committee was restricted accordingly.

(3C) Corporate Social Responsibility

The term of reference of Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013 which is as under:

(i) To formulate & recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013 as amended from time to time by the Ministry of Corporate Affairs, GOI;

(ii) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and approve the budget for CSR;

(iii) To monitor the CSR Policy of the company from time to time;

(iv) Shall institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the company;

(v) Any other matter as may be delegated by the Board from time to time.

Your Company constituted the Corporate Social Responsibility Committee of the Board under requirement of section 135 of the Companies Act, 2013. As on 31st March 2023, the Committee comprises following 4 (Four) members:

(i) Shri A K Tripathy, Director

(ii) Shri Sandeep Aggarwal, Director

(iii) Ms. M M Bai, Director

(iv) Shri D Rajendran

During the Financial year 2022-2023, two (2) Meeting of the Committee was held on 20.09 2022 and 10.03.2023.

The attendance of Directors in this Meeting is as under:

Name of the Director	Meeting Date	
	20.09 2022 (9th) (In Person)	10.03.2023 (10th) (In Person)
Shri. A.N. Sahay, Chairman of the Committee (upto 23.9.2022)	Yes	N.A
Shri R. Eithiraj, Director (upto 31.7.2022)	N.A	N.A
Ms. M. Maheswari Bai, Director (upto 31.5.2023)	Yes	Yes (Thru. V.C)
Shri A.K Tripathy, Director (upto 31.5.2023)	Yes	Yes
Shri Sandeep Aggarwal, Director	Yes	Yes
Shri D Rajendran	N.A	Yes

As per requirement of the Companies Act, 2013, the Company is required to spend 2% of the average net profit of the company made during three immediately preceding financial years in CSR activities. As the average net profit of the Company for three immediately preceding financial years was Rs. 645.74 Crores, the Company is required to spend Rs. 12,91,49,155/-on CSR activities in the FY 2022-23. However, company has spent Rs 13,02,78,753/-under the head of CSR on various activities.

During the year your company undertook the activities as a responsible corporate citizen in and around plant, details of which are covered under the attached at Annexure- A to this Report.

(3D) Contract Sub Committee

The Board of Director of your Company in its 95th Board meeting had constituted contract Sub Committee to recommend the award of work or purchase contracts to Board and having following members:

1. Ms. M M Bai, Director (upto 31.5.2023)
2. Shri A K Tripathy (upto 31.5.2023) and Quorum for the meeting is two members.

During the year, no Meeting of the Committee was held.

(4) Web link of Annual Report

The Company is having website http://ntpcntecljv.co.in/ and annual return of your Company has been published on such Website. Link of the same is given below:

http://ntpcntecljv.co.in/Annualreport

(5) Details of fraud Report by Auditor

The Statutory Auditors, Secretarial Auditors and C&AG had not reported any instances of fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Companies Act, 2013.

(6) Statutory Auditor

As per the provisions of the 139 of the Companies Act, 2013, the Statutory Auditors of the Company are appointed by the Comptroller & Auditor General of India (C&AG). M/s S P ASSOCIATES, Chartered Accountants, Chennai were appointed as Statutory Auditors of the Company for the financial year 2022-23 by the Comptroller & Auditor General of India. The Statutory Auditors have given their unqualified report on the financial statements of the Company and there was no adverse remark or comments in their report.

The Statutory Auditors of the Company for the financial year 2023-24 are yet to be appointed by the Comptroller & Auditor General of India.

(7) Management comments on Statutory Auditors Report

Nil

(8) Review of accounts by Comptroller & Auditor General of India

The Comptroller & Auditor General of India (C&AG), through letter PDCA/CA-I/NTECL/4-519/2023-24/218 dated 07.07.2023, have communicated that based on the financial reporting by the Management and the independent audit carried out by Statutory Auditors, C&AG has conducted the Supplementary Audit of the Financial Statements of the Company for the year ended 31st March 2023 under Section 143(6)(a) of the Act and has given 'Nil' comments on the financial statements of your Company for the year ended on 31st March 2023.

A copy of the letter issued by C&AG in this regard is placed after report of Statutory Auditors of your Company.

(9) Cost Auditor

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

Your Company appointed M/s Tanmaya S. Pradhan & Co., Cost Accountants as Cost Auditors under Section 148(3) of the Companies (Audit & Auditors) Rules, 2014 for the financial year 2022-23.

The Cost Audit Report for your Company for the financial year ended 31.03.2022 was filed with the Central Government on 07.10.2022. The Cost Audit Report for the financial year ended March 31, 2023 shall be filed within the prescribed time period under the Companies (Cost Records & Audit) Rules, 2014.

(10) Events Subsequent to the date of Financial Statements

No material change and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate, and the date of this report.

(11) Annual Return of the Company

Annual Return (MGT-7) pursuant to Section 92 (3) of the Companies Act, 2013, read with Section 134(3) (a) and rule 12(1) of the Company (Management & Administration) Rules, 2014 for the Financial Year ended 31st March, 2023 is available on the Company's website i.e. www.ntpcntceljv.co.in.

(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.

As per the Articles of Association of NTECL, the Directors are nominated by NTPC and TANGEDCO. As the Directors nominated by NTPC or TANGEDCO are being evaluated under a well laid down procedure for evaluation of Directors & and Senior Management Personnel as well as of Government Directors by Administrative/respective Ministry.

(13) Compliance of Secretarial Standards

Your Company has complied with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

(14) Secretarial Audit

The Board has appointed M/s J.K. Gupta & Associates, Company Secretaries, to conduct Secretarial Audit for the financial year 2022-23. The Secretarial Audit Report for the financial year ended 31st March 2023 is attached as **Annex- B** to this Report.

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

Observations	Management's Comments
As per Section 29 of the Companies Act, 2013 and rule (9A) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, Dematerialisation of securities by one of the promoters is still pending.	TANGEDCO is in the process of conversion of their physical shares into Demat mode and it was expected to take few days to convert their securities in DEMAT form.
As per Section 203 of the Companies Act,2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the appointment of CFO of the Company has not been made since the relinquishment of charge by last CFO.	Company had requested NTPC Limited, promoter Company to nominate someone to act as a CFO of the Company.

(15)Particulars of contracts or arrangements with related parties

As per the requirement of Section 188(2) of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014, if there is Contract with related parties during the financial year therefore, disclosure of particulars of contracts or arrangements are required to be made.

Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is applicable. The transactions with related parties are disclosed in the Note No.33 to the Accounts of the Company as per Ind AS-24 (Related Party Disclosures)

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

No significant and material orders were passed by any regulator or court or tribunal impacting the going concern status and company's operations during the FY 2022-23.

(17) Adequacy of internal financial controls with reference to the financial statements

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

(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 who was in receipt of remuneration of Rs. 1.02 crore or more per year, if employed throughout the year and details of remuneration received by the employee who was in receipt of remuneration of Rs. 8.50 lakh or more per month, if employed for part of the year. During the year, no employee of the Company was in receipt of remuneration exceeding the prescribed limit of Rs. 1.02 crore or more per year. However, following employees employed for part of the year were in receipt of remuneration of Rs. 8.50 lac or more per month which includes Separation (one case of sabbatical) benefits like gratuity, earned leaves encashment, etc.

Sl. No.	Employee Number	Name of the Employee	Gross Amount (Rs.)	Date of Separation / Superannuation
1.	3515	Cherian John	1,31,17,583	31-01-23
2.	3259	Siva Ramakrishna P	96,64,882	31-07-22
3.	27119	Neelakandan R	79,92,706	31-07-22
4.	13159	Kumari Inteti Radhakrishna	78,43,816	30-09-22
5.	3002	Ramaswamy K S	77,95,285	31-07-22
6.	31768	Rao Golusu Srinivasa	71,98,353	31-10-22
7.	5527	Narasimha Rao V V	70,13,679	31-12-22
8.	5241	P Royan E Benson	69,72,583	30-04-22
9.	60134	Devassy A D	62,01,131	30-09-22
10.	40957	George Saji	61,98,950	31-07-22

(19) Issue of Shares in the Financial Year 2022-2023:

During the year under review, your company has not issued any Equity shares for financial year 2022-2023.

(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

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

(22) Particulars of Loans, Guarantees or Investments under Section 186

Your 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) Fixed Deposits

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

(24) Subsidiaries, Joint ventures or associate companies

Your Company does not have any Subsidiaries, Joint Ventures or Associate Companies.

(25) Insolvency and Bankruptcy Code, 2016

During the financial year 2022-23, no application was made, or any proceeding were pending under the Insolvency and Bankruptcy Code, 2016.

(26) One-time Settlement and Valuation

During the financial year 2022-23, no event has taken place that give rise to reporting of details w.r.t. difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions.

(27) Sexual Harassment of Women at Workplace

Your company has Zero tolerance towards Sexual harassment at workplace and has adopted a policy against sexual harassment and also constituted the Internal Complaints Committee in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder of NTPC.

Under the provision of Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, no case of Sexual Harassment has been reported.

(28) Declaration of Independent Director:

Independent Director has given the declaration that he meets the criteria of Independence as per the provisions of the Companies Act, 2013.

(29) Statistical Information on Reservation of SCs/ STs for the year 2022-23:

Nil

(30) Information on Differently Abled Persons:

With a view to focus on its role as a socially responsible organisation, NTECL has endeavoured to take responsibility for adequate representation of Differently abled persons (DAPs) in its workforce.

The details are given as under:

S.No	Name	Emp. No	Grade	Department
1.	T. S .K. Vijayraghvan	055243	W6	HR
2.	A. Thiruvengadam	095611	W6	HR
3.	Shankariah Sircilla	032176	E2	T/ship Elec.
4.	V R Sundrason Aiyar	088510	W6	C&M-Stores
5.	Pravat Dey	081117	E0	Civil Maintenance

(31) Details in respect of frauds reported by auditor under section 143(12) other than those which are reportable to the Central Government:

Nil

(32) Amount (if any) which it proposes to carry to any reserves:

Nil

(33) Material change & commitments, if any, affecting the financial of company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:

No material changes and commitments have taken place between financial year ended 31st March 2023, to which the financial statements relate and the date of this Directors' Report, which affects the financial position of your Company.

(34) A statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of your Company:

Nil

(35) The particulars of annexures forming part of this report are as under

Particulars	Annexure
Corporate Social Responsibility Report	A
Secretarial Audit Report in Form MR-3	B

(36) 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 2022-23 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.

Composition of Board of Directors as on 31st March 2023

The Board of Directors of your Company comprises Shri Ramesh Babu V., Chairman, Shri Rajesh Lakahani, IAS, Ms. M.M Bai, Shri Sandeep Aggarwal, Shri. Ashwini Kumar Tripathy and Shri D Rajendran as Directors of the Company as on 31st March 2023.

Change in Board of Directors/KMPs

Following changes have been occurred in the Board of Directors of your Company from 1st April 2022 till 31st March 2023:

a) Shri R. Ethiraj ceased to be Director w.e.f. 31.7.2022 on attaining the age of superannuation.

b) Shri A N Sahay, Director ceased to be Director w.e.f. 23.9.2022 on completion of his tenure.

c) Shri D Rajendran appointed as Additional Director w.e.f. 28.12.2022 due to Change in nomination by TANGEDCO.

d) Shri A K Tripathy ceased to be Director w.e.f. 31.5.2023 on attaining the age of superannuation.

e) Ms M M Bai ceased to be Director w.e.f. 31.5.2023 on attaining the age of superannuation.

d) Shri C Sivakumar appointed as Additional Director of the Company w.e.f. 22.6.2023 due to change in nomination by NTPC Limited

Shri Kedar Ranjan Pandu ceased to be Chief Executive officer of the Company w.e.f. 6.8.2022 due to transfer to his parent cadre and tendered his resignation from the post of Chief Executive officer and Shri Sanjay Kumar Singh has been appointed as Chief Executive officer of the Company w.e.f. 23.08.2022.

Shri Sanjay Kumar Singh ceased to be Chief Executive officer of the Company w.e.f. 30.4.2023 on attainting the age of superannuation and accordingly had tendered his resignation from the post of Chief Executive officer. Further, Shri A K Chattopadhyay has been appointed as Chief Executive officer of the Company w.e.f. 17.05.2023.

Shri Rajiv Srivastav ceased to be Chief Financial officer of the Company w.e.f. 6.7.2022 due to transfer in his parent cadre and tendered his resignation from the post of Chief Financial officer.

The Board wishes to place on record its deep appreciation for the valuable services rendered by Shri R.Ethiraj, Shri A N Sahay, Shri A K Tripathy, Ms. M M Bai, Directors of the company during their association with the Company. Further, Board also place on record its deep appreciation for the valuable services rendered by Shri Kedar Ranjan Pandu and Sanjay Kumar Singh, CEO of the Company.

The Board welcomes Shri D Rajendran and Shri C Sivakumar, Directors on the Board of the Company. Further, Board also welcome Shri A K Chattopadhyay, CEO of the Company.

As per the provisions of the Companies Act, 2013, Shri Sandeep Aggarwal, Director shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

ACKNOWLEDGEMENT

The Board of Directors wish to place on record their appreciation for the support and co-operation extended by the Union Ministry of Power, Government of Tamil Nadu, NTPC Limited., TANGEDCO, other agencies of Govt. of India/ Govt. of Tamil Nadu, regulatory authorities, Auditors and the Bankers of the company.

Your Directors are proud to see the Company stand strong on the resilient shoulders of the employees. They applaud the undaunted spirit of employees and hail them as the most precious resources of the Company.

For and on behalf of Board of Directors

Sd/-
(Ramesh Babu V.)
Chairman
DIN: 08736805

PLACE: New Delhi
DATE: 29th September, 2023


ANNUAL SPORTS DAY
OF


NTECL


NTECL


NTECL


NTECL
WORLD HEALTH DAY


VALLUR


RASHTRIYA EKTA DIWAS
(National Unity Day)

Annexure-I to Directors' Report

ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of your 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.**

   A responsible corporate citizen since inception, your Company envisions, "To make NTECL Tamil Nadu's best power generating company with availability of quality and reliable power at competitive rate". It is guided by the mission, "Provide reliable and quality power in an economical, efficient and environment friendly manner, driven by innovation and agility".

   Committed to inclusive growth and sustainable development with special focus on the communities in the neighborhood of its operations.

   Your Company has set-out the following Corporate Objectives on CSR & Sustainability.

   "To contribute to sustainable power development by discharging corporate social responsibilities" "To lead the sector in the areas of environment protection including effective ash-utilization, peripheral development and energy conservation practices."

   Focus areas of your Company's CSR activities are Health, Sanitation, Safe Drinking Water and Education. However, your Company also takes up activities in the areas of Capacity Building of the youth, Women Empowerment, Social Infrastructure Development, livelihood creation etc and for the activities contributing towards Environment Sustainability. However, considering inclusive growth & environment sustainability, some of the activities are also taken up in different parts of the country to supplement governmental efforts.

   Given below are some of the major CSR initiatives undertaken by your Company:-

   Promoting Education and enhancing vocational skills

   - Support to the District Administration to set up study centres at the district, block and panchayat levels that will provide free coaching for the youth to clear State level competitive exams.
   - Construction of six school buildings in Minjur Block.
   - Provision of alternative education and skill development training in Government schools.

   Promoting Gender Equality and Empowering Women

   - Setting up of one plant nursery for rehabilitation of HIV patients.
   - Setting up of integrated cattle farming for rehabilitation of transgender community.
   - Girl Empowerment Mission Workshop.

   Disaster Relief

   - Food packet distribution to nearby villages as part of Cyclone Mandous relief.

   Healthcare:

   - Providing additional medical equipments in the Primary Health Centers under Minjur Block.
   - Ayurveda Day Medical Camp at Attipattu Village on the occasion of Ayurveda Week Celebrations
   - Organized free medical Camp at Attipattu Village.

   Environment Sustainability

   - Rejuvenation of five ponds under Amrit Sarovar Project.

- Rejuvenation of three large Ponds under Nammaku Naame Scheme.
- Rejuvenation of three ponds under Amrit Sarovar Project.

Promotion of Sports

- Encouraging sportsmanship among village youth in Tiruvallur District through sports tournaments.

Reducing inequalities faced by socially and economically backward groups

- Contribution of CSR fund for construction of new houses for Irular Community (Scheduled Tribe) combining with the Tamil Nadu Urban Habitat Development Board Fund.

Rural Development:

- Setting up of LPG Crematorium
- Construction of retaining wall in Atthipattu Panchayat to prevent rainwater entry to town.
- Construction of roads in Minjur Panchayat Union.
- Setting up of Solid Waste Management facility in Vallur panchayat.
- Construction of Road in Athipattu Pudhu Nagar Panchayat.

2. The composition of the CSR Committee. The Composition of the CSR Committee

As on date, the Board Level Corporate Social Responsibility Committee comprises

Four Non-Executive Directors : Shri Ashwini Kumar Tripathy, Member
: Ms. M.M. Bai, Member
: Shri Sandeep Aggarwal, Member
: Shri D Rajendran, Member

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri A.N. Sahay	Independent Director, Chairman of the Committee	2	1
2.	Ms. M. Maheswari Bai	Non-Executive Director, Member	2	2
3.	Shri Ashwini Kumar Tripathy	Non-Executive Director, Member	2	2
4.	Shri R.Eithiraj	Non-Executive Director, Member	2	0
5.	Shri Sandeep Aggarwal	Non-Executive Director, Member	2	2
6.	Shri D Rajendran	Non-Executive Director, Member	2	1

The committee recommends to the Board for approval, the amount of expenditure anticipated on the CSR activities and monitors from time to time the Policy for CSR and the proposals approved by the Board

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

   http://ntpcntecljv.co.in/CommunityDevelopment.html

4. **Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):**

   SIE-Final Report.pdf

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any-**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
1	2021-22	NIL	NIL
2	2022-23	NIL	0.12 Crore
	Total	**NIL**	**0.12 Crore**

6. **Average net profit of the company for the last three financial years as per section 135 (5) of companies Act, 2013 :** Rs. 645.74 Crore.

7.	(a)	Two percent of average net profit of the company as per section 135(5)	12.91 Crore
	(b)	Surplus arising out of the CSR projects or programs or activities of the previous financial years.	Nil
	(c)	Amount required to be set off for the financial year, if any	Nil
	(d)	Total CSR obligation for the financial year (7a+7b-7c).	12.91 Crore
	(e)	CSR amount spent for the financial year:	13.03 Crore

8. **(a). Details of CSR spent or unspent during the financial year.**

Total Amount Spent for the Financial Year (in Rs.)/ crore	Amount Unspent (in Rs.)/crore				
	Total Amount Transferred to Unspent CSR Account as per section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135 (5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
13.03	0.0	NIL	Tamil Nadu Disaster Management Authority	1.65	23/03/2023

8. (b). Details of CSR amount spent against ongoing projects for the financial year:

Sl. N.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area/ Location of the project. Project		Project duration (in yrs)	Amount allocated for the project (in Rs. Cr)	Amount spent in the current financial Year (in Rs. Cr)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency (Name &CSR Registration number)
			State	District						
01	Setting up of Karpoor Vatam (Study Circles)	(ii)	Tamilnadu	Tiruvallur	2	1.5	1.5	NIL	No	District Rural Development Authority – CSR00008203
02	Setting up of one nursery for rehabilitation of HIV patients and one Integrated Cattle Farming for rehabilitation of transgender Community.	(iii)	Tamilnadu	Tiruvallur	2	.40	.40	NIL	No	District Rural Development Authority – CSR00008203
03	Rejuvenation of 5 ponds under Amrit Sarovar Project in Minjur Union one each in Nalur, Thadaperumbakkam, Sirulapakkam, Poongulam, Thirupalaivanam.	(iv)	Tamilnadu	Tiruvallur	3	.75	.75	NIL	No	District Rural Development Authority – CSR00008203
04	Rejuvenation of 3 large Lakes –Arafat lake in Ward No.28, Mittanamalli lake in ward No.3 and Vlinjiyambakkam lake in Ward no.36 in Avadi Municipal Corporation under Nammaku Naame Scheme in Avadi Municipality.	(iv)	Tamilnadu	Tiruvallur	3	1.20	1.20	NIL	No	District Rural Development Authority – CSR00008203
05	In Amrit Sarovar project, construction of one pool each in Tiruthani, Pallipatta and Iragi Potai Panchayat Unions .	(iv)	Tamilnadu	Tiruvallur	3	.45	.45	NIL	No	District Rural Development Authority – CSR00008203
06	Setting up of LPG Crematorium in Minjur Block .	(x)	Tamilnadu	Tiruvallur	3	2.00	2.00	NIL	No	District Rural Development Authority – CSR00008203
07	Construction of retaining wall in Atthipattu Panchayat to prevent rainwater from entering the town .	(x)	Tamilnadu	Tiruvallur	3	.50	.50	NIL	No	District Rural Development Authority – CSR00008203
08	Construction of roads in Minjur Panchayat Union, Athipattu, Vallur Kondakarai Panchayats.	(x)	Tamilnadu	Tiruvallur	3	1.50	1.50	NIL	No	District Rural Development Authority – CSR00008203
09	Setting up of Solid Waste Management, Collecting and Separating Composting and Maize Garbage Management facilities in Vallur Panchayat.	(x)	Tamilnadu	Tiruvallur	3	.75	.75	NIL	No	District Rural Development Authority – CSR00008203

Sl. N.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area/ Location of the project. Project		Project duration (in yrs)	Amount allocated for the project (in Rs. Cr)	Amount spent in the current financial Year (in Rs. Cr)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency (Name &CSR Registration number)
			State	District						
10	Providing additional medical equipments in the Primary Health Centers under Minjur Block .	(i)	Tamilnadu	Tiruvallur	2	.46	.46	NIL	No	District Rural Development Authority – CSR00008203
11	Construction of six school buildings in Minjur Block and Construction of road in Athipattu Pudhu Nagar Panchayat.	(ii)	Tamilnadu	Tiruvallur	3	1.38	1.37	NIL	No	District Rural Development Authority – CSR00008203
12	Construction of new houses in Attipattu Panchayat Palamedu Arunodaya Nagar Irular (Schedule Tribe) residence by combining with the Tamil Nadu Urban Habitat Development Board Fund.	(x)	Tamilnadu	Tiruvallur	3	1.22	1.22	NIL	No	District Rural Development Authority – CSR00008203
13	Provision of alternative education and skill development training in government schools by Katha Magic School.	(ii)	Tamilnadu	Tiruvallur	2	.50	.47	NIL	No	District Rural Development Authority – CSR00008203
	TOTAL					**12.61**	**12.57**	NIL		

8. (c). Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project (State & District)	Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency (Name &CSR Registration number)
01	Ayurveda Day Medical Camp at Atthipattu Village on the Occasion of Ayurveda Week Celebrations.	(i)	Yes	Tamilnadu, Tiruvallur	8260	Yes	Direct
02	Contribution to Armed Forces Flag Day Fund in support of Rehabilitation of Martyrs and Family Members.	(vi)	Yes	Tamilnadu, Tiruvallur	1,50,000	Yes	Direct
03	Independence Day Celebration – Support to 10 Nos Panchayat village schools for to promote patriotism.	(v)	Yes	Tamilnadu, Tiruvallur	1,09,200	Yes	Direct
04	Food Packet Distribution to Nearby Villages as part of Cyclone Mandous relief.	(i)	Yes	Tamilnadu, Tiruvallur	97,448	Yes	Direct
05	Support for Free medical Camp at Attipattu Village.	(i)	Yes	Tamilnadu, Tiruvallur	8462	Yes	Direct

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project (State & District)	Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency (Name &CSR Registration number)
06	Girl Empowerment Mission Workshop May 2022.	(ii)	Yes	Tamilnadu, Tiruvallur	10,50,519	Yes	Direct
07	Girl Empowerment Mission Winter Workshop December 2022.	(ii)	Yes	Tamilnadu, Tiruvallur	60614	Yes	Direct
08	Encouraging sportsmanship among village youth.	(vii)	No	Tamilnadu, Tiruvallur	30,00,000	No	District Rural Development Authority – CSR00008203
	Total				**44,84,503**		

8. (d) Amount spent in Administrative Overheads : Nil

8. (e) Amount spent on Impact Assessment, if applicable : Nil

8. (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs. 13.03 Crore

8. (g) Excess amount for set off, if any : Rs. 0.12 Crore

Sr. No.	Particular	Amount (in Crore)
1.	Amount Set off for the year 2023-24	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No	Year	Amount (in Crore)
01.	2020-21	Nil
02.	2021-22	0.50
03	2022-23	Nil

9. (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No	Year	Amount (in Crore)
01.	2020-21	Nil
02.	2021-22	.06
03	2022-23	Nil

9. (c) In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

a. Date of creation or acquisition of the capital asset(s) : FY 2022-23

b. Amount of CSR spent for creation or acquisition of capital asset : Rs 8.85 Crore

c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable

d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):

Sl.	Particulars	Address	Amount
1.	Setting up of Karpoor Vattam (Study Circles)	Triuvallur District, Tamil Nadu	150,00,000.00
2.	Setting up of Electrical Crematorium	Minjur Block, Triuvallur	200,00,000.00
3.	Construction of a retaining wall to prevent rainwater from entering the town	Atthipattu Panchayat	50,00,000.00
4.	Construction of roads	Minjur Panchayat Union, Athipattu and Kondakarai Panchayats	150,00,000.00
5.	Setting up of Solid Waste Management Facilty	Vallur Panchayat	75,00,000.00
6.	Construction of School Buildings in Minjur Block.	1. Panchayat Union Primary school building in Nalur Kammavarpalayam, Nalur Panchayat. 2. Panchayat Union Primary School Building Athipattu Pudhunagar. 3. Panchayat Union Primary School building Minjur Theradi. 4. Panchayat Union School Building Subba Reddypalayam. 5. Panchayat Union Middle School Building in Reddypalayam 6. Panchayat Union Elementary School Building in Sengazhannermedu Village	21,39,000.00 21,39,000.00 21,39,000.00 21,39,000.00 21,39,000.00 21,39,000.00
7.	Construction of CC Road	Opposite Panchayat Union Middle School, Athipattu Pudhu Nagar Panchayat.	9,50,000.00
8.	Construction of New House for Irular ST Community	Athipathu Village	1,22,00,000.00

10. Specify the reason(s), if the company has failed to spend the two percent of the average net profit as per section 135(5):

Not Applicable

(Chief Executive Officer or Managing Director or Director) **Shri Ramesh Babu**	(Chairman CSR Committee)	Not Applicable (Person specified under clause (d) of sub-section (1) of section 380 of the Act)


PRCI
পাবলিক রিলেশনস কাউন্সিল অফ ইন্ডিয়া
Public Relations Council of India


NTECL


Water
Sustainability
Awards
21st March 2023 | New Delhi
SUPPORTED BY


Management
Challenge
₹ 50,000/-

Ref: - NTPC TAMIL NADU ENERGY COMPANY LIMITED

J. K. Gupta & Associates
(Company Secretaries)
Website - www.jkgupta.com

Delhi Office : 256 & 257, Vardhman City Center 2, Near Shakti Nagar Railway Under Bridge, Gulabi Bagh, Delhi- 110052 Tel: +91-11-23644449 / 11-23654449 / 11-23644447 / 9953887741

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FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
NTPC TAMIL NADU ENERGY COMPANY LIMITED
NTPC Bhawan Core7-Scope Complex 7-Institutional Area
Lodhi Road New Delhi -110003

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NTPC Tamil Nadu Energy Company Limited** (hereinafter called "the Company") having its Registered Office at NTPC Bhawan Core7-Scope Complex 7-Institutional Area Lodhi Road New Delhi- 110003. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company'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, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit covering the financial year ended 31st March 2023, generally 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:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended 31st March 2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Depositories Act, 1996 and the Regulations and byelaws framed thereunder;

(ii) The other specific laws applicable to the company:

a) The Factories Act, 1948 and rules made thereunder;
b) The Contract Labour (Regulation and Abolition) Act, 1970 and rules made thereunder;
c) The Tamil Nadu Labour Welfare Fund Act, 1972

Page 1 of 4

J.K. GUPTA & ASSOCIATES
CP No. 2448
Company Secretaries

d) Inter-State Migrant Workmen (Regulation of Employment & Conditions of Services) Act, 1979
e) The Tamil Nadu Industrial Establishments (Conferment of Permanent Status to Workmen) Act, 1981
f) The Child Labour (Prohibition and Regulation) Act, 1986 and rules made thereunder;
g) The Employees' Compensation Act 1923 and rules made thereunder;
h) The Equal Remuneration Act, 1976 and rules made thereunder;
i) The Payment of Wages Act, 1936 and rules made thereunder;
j) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 and rules made thereunder;
k) The Minimum Wages Act, 1948 and rules made thereunder;
l) The Payment of Gratuity Act, 1972 and rules made thereunder;
m) The Payment of Bonus Act, 1965 and rules made thereunder;
n) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
o) The Maternity Benefit Act, 1961;
p) The Employees State Insurance Act, 1948;
q) The Air (Prevention and Control of Pollution) Act, 1981 and rules made thereunder;
r) The Water (Prevention and Control of Pollution) Act, 1974, The Water (Prevention and Control of Pollution) Cess Act, 1977 and rules made thereunder;
s) The Tamil Nadu Industrial Establishments (National and Festival Holidays) Act,1958
t) The Environment (Protection) Act 1986 and rules made thereunder;
u) The Indian Standard Code of Practice for Selection, Installation and Maintenance of Portable First Aid Fire Extinguishers;
v) The Food Safety and Standards Act, 2006 and rules made thereunder;
w) The Electricity Act, 2003 and rules made thereunder;
x) The Indian Boilers Act, 1923 and rules made thereunder;

We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Guidelines, Standards, etc. mentioned above *subject to the following Observations:*

The Companies Act, 2013 and the rules made thereunder:

a) Dematerialization of securities of one of the promoters is still pending as per Section 29 of the Companies Act, 2013 and Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

b) As per Section 203 of the Companies Act,2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company and every other public company having a paid-up share capital of ten crore rupees or more shall have whole-time key managerial personnel.
Mr. Rajiv Srivastava, CFO of the company relinquished his charge as CFO w.e.f 06.07.2022. Thereafter, no CFO is appointed in the company.

Page 2 of 4

J.K. GUPTA & ASSOCIATES ★ Company Secretaries ★ CP No. 2448

Ref: - NTPC TAMIL NADU ENERGY COMPANY LIMITED

We further report that:

The Audit related to Labour laws, Environment laws and other specific laws applicable to the company was done on Sample Basis and we relied on Internal Audit Report shared by the Company.

We further report that:

The Board of the Company is duly constituted and the changes in the composition of the Board of Directors, during the period under review, were carried out in compliance with the provisions of the Act.

Board Meetings were duly called by providing adequate Notices, agenda and detailed notes on agenda to the participants of the meeting, 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.

All the decisions made in the Board/Committee meeting (s) were carried out with unanimous consent of all the Directors/Members present during the meeting and dissent, if any, have been duly incorporated in the Meetings.

We 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.

For J. K. Gupta & Associates

J.K. GUPTA & ASSOCIATES ★ CP No. 2448 ★ Company Secretaries

JITESH GUPTA
FCS No. 3978
C P No. 2448
UDIN: F003978E000513762

Place: Delhi
Date: 28.06.2023

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.

Page 3 of 4

Ref: - NTPC TAMIL NADU ENERGY COMPANY LIMITED

Annexure-A

To,

The Members,
NTPC TAMIL NADU ENERGY COMPANY LIMITED
NTPC Bhawan Core7-Scope Complex 7-Institutional Area
Lodhi Road New Delhi -110003

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our inspection of records produced before us for 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 relied on the Statutory Auditor's Report for the period under review; hence we have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations 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 the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For J. K. Gupta & Associates

J.K. GUPTA & ASSOCIATES CP No. 2448 Company Secretaries

JITESH GUPTA
FCS No. 3978
C P No.: 2448
UDIN: F003978E000513762

Place: Delhi
Date: 28.06.2023

Page 4 of 4

NTPC TAMILNADU ENERGY COMPANY LIMITED(A Joint Venture of NTPC Ltd. and TANGEDCO)
Regd. Office: Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003
CIN: U40108DL2003PLC120487

BALANCE SHEET AS AT 31 MARCH 2023

₹ Crore

Particulars	Note No.	As at 31.03.2023	As at 31.03.2022
ASSETS			
(1) Non-current assets			
(a) Property, plant & equipment	2	5,674.90	6,028.45
(b) Capital work-in-progress	3	844.90	469.19
(c) Intangible assets	2a	5.62	8.25
(d) Financial Assets			
(i) Trade receivables	4	948.33	-
(ii) Loans	4a	0.24	0.23
(iii) Other financial assets	4b	-	-
(e) Other non-current assets	5	19.21	64.69
Total non-current assets		7,493.20	6,570.81
(2) Current assets			
(a) Inventories	6	482.25	478.40
(b) Financial assets			
(i) Trade receivables	7	865.16	1,780.52
(ii) Cash and cash equivalent	8	264.74	13.72
(iia) Bank balances other than cash and cash equivalent	8a	-	-
(iii) Loans	9	0.06	0.06
(iv) Other financial assets	10	104.71	26.82
(c)Current Tax Assets (Net)	10a	51.56	-
(c) Other current assets	11	269.35	184.86
Total current assets		2,037.83	2,484.38
(3) Regulatory deferral account debit balances	12	489.50	187.78
TOTAL ASSETS		10,020.53	9,242.97
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	2,872.79	2,872.79
(b) Other equity	14	1,030.33	873.91
Total equity		3,903.12	3,746.70
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	3,078.79	3,382.20
(ii) Lease liabilities	16a	-	-
(iii) Trade payables	17	-	-
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and small enterprises		-	-
(iv) Other financial liabilities	18	40.77	19.64
(b) Provisions	19	0.37	0.36
(c) Deferred tax liabilities (net)	19A	487.27	179.15
Total non-current liabilities		3,607.20	3,581.35
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	1,493.96	963.66
(ii) Lease liabilities	20a	-	-
(iii) Trade payables	21		
Total outstanding dues of micro and small enterprises		5.18	5.65
Total outstanding dues of creditors other than micro and small enterprises		385.04	370.12
(iv) Other financial liabilities	22	466.95	431.77
(b) Other current liabilities	23	52.08	78.71
(c) Provisions	24	107.00	13.11
(d) Current tax liabilities (net)	24A	-	51.90
Total current liabilities		2,510.21	1,914.92
TOTAL EQUITY AND LIABILITIES		10,020.53	9,242.97
Significant accounting policies	1		

The accompanying notes 1 to 45 form an integral part of these financial statements.

In terms of our report of even date

For S.P. Associates
Chartered Accountants
FRN : 005506S

For and on behalf of the Board of Directors

(A B Karthikeyan)
Partner
M.No.029518

(Amit Garg)
Company Secretary

(M.Maheswari Bai)
Director
DIN 07160357

(Ramesh Babu V)
Chairman
DIN 08736805

S.P. ASSOCIATES Chennai F.No. 005506S Chartered Accountants

Place : Chennai
Dated : 17.05.2023

(A K Chattopadhyay)
CEO

(V Meenakshi Sundaram)
HOD(F)

NTPC TAMILNADU ENERGY COMPANY LIMITED(A Joint Venture of NTPC Ltd. and TANGEDCO)
Regd. Office: Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003
CIN: U40108DL2003PLC120487

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023

₹ Crore

Particulars	Note No.	For the year ended 31.03.2023	For the year ended 31.03.2022
Revenue			
Revenue from operations	25	**5,151.89**	4,222.06
Other income	26	**722.40**	702.94
Total Income		**5,874.29**	4,925.00
Expenses			
Fuel	27a	**3,329.01**	2,525.72
Employee benefits expense	27	**99.78**	80.85
Finance costs	28	**279.20**	392.93
Depreciation and amortization expense	28a	**512.83**	500.81
Other expenses	29	**604.33**	365.60
Total expenses		**4,825.15**	3,865.91
Profit / (Loss) before tax and Rate Regulated Activities (RRA)		**1,049.14**	1,059.09
Profit / (Loss) before tax		**1,049.14**	1,059.09
Tax expense - Current Tax			
Current year		**192.74**	260.98
Previous year		**1.80**	-
Deferred tax charge/ (credit)		**308.11**	65.07
Total tax expense		**502.65**	326.05
Profit / (Loss) for the year		**546.49**	733.04
Net movement in regulatory deferral account (net of tax)		**301.72**	65.07
Profit for the year		**848.21**	798.11
Other comprehensive income			
Items that will not be reclassified to profit or loss (net of tax)		0.03	0.01
Other comprehensive income for the year, net of income tax		**0.03**	0.01
Total comprehensive income for the year		**848.24**	**798.12**
Significant accounting policies	1		
Expenditure during construction period (net)	30		
Earnings per equity share (Par value ₹ 10/- each)	34		
Basic (₹) (from operations including regulatory deferral account balances)		**4.70**	3.91
Diluted (₹) (from operations including regulatory deferral account balances)		**4.70**	3.91
Basic (₹) (from operations excluding regulatory deferral account balances)		**3.65**	3.68
Diluted (₹) (from operations excluding regulatory deferral account balances)		**3.65**	3.68

The accompanying notes 1 to 45 form an integral part of these financial statements.

In terms of our report of even date
For S.P. Associates
Chartered Accountants
FRN : 005506S

For and on behalf of the Board of Directors

(A B Karthikeyan)
Partner
M.No.029518

S.P. ASSOCIATES Chennai F.No. 005506S Chartered Accountants

(Amit Garg)
Company Secretary

(M.Maheswari Bai)
Director
DIN 07160357

(Ramesh Babu V)
Chairman
DIN 08736805

(A K Chattopadhyay)
CEO

(V Meenakshi Sundaram)
HOD(F)

Place : Chennai
Dated : 17.05.2023

NTPC TAMILNADU ENERGY COMPANY LIMITED(A Joint Venture of NTPC Ltd. and TANGEDCO)
Regd. Office: Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003
CIN: U40108DL2003PLC120487

₹ Crore

CASH FLOW STATEMENT	For the year ended 31.03.2023	For the year ended 31.03.2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	1,049.14	1,059.09
Add: Net movements in regulatory deferral account balances (net of tax)- Income/(Expense)	301.72	65.07
Add: Tax expense on regulatory deferral account balances		-
Net Profit before tax	**1,350.86**	**1,124.16**
Adjustment for:		
OCI	0.03	0.01
Interest income/Late payment Surcharge/Income on investments	(534.56)	(698.34)
Depreciation and amortisation expense	512.84	500.81
Provisions written back	(0.10)	-
Unwinding of discount on vendor liabilities	4.63	(1.10)
Fly ash utilisation reserve fund	30.49	10.31
CSR reserve	(1.65)	1.65
Finance costs	274.57	392.93
Regulatory deferral account debit balances	(301.72)	(65.07)
	(15.47)	**141.20**
Operating Profit /(Loss) before Working capital adjustments:	**1,335.39**	**1,265.36**
Adjustment for:		
Trade receivables	(32.98)	(21.17)
Inventories	(3.85)	(119.85)
Trade payables, provisions, other financial liabilities and other liabilities	(64.65)	(38.26)
Loans, other financial assets and other assets	(469.75)	22.78
Cash Generated from Operations	**764.16**	**1,108.86**
Income taxes Paid	(51.56)	(221.58)
Net Cash from Operating Activities-A	**712.60**	**887.28**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment & intangible assets	(179.53)	(238.58)
Proceeds from property, plant and equipment & intangible assets		-
Interest income/Late payment Surcharge/Income on investments	534.56	698.34
Net Cash Used in Investing Activities-B	**355.03**	**459.76**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Reciepts from issue of Share Capital including share deposit account (pending for allotment)	30.00	30.00
Proceeds/(repayment)- long term borrowings	(303.41)	(303.09)
Proceeds/(repayment)- short term borrowings	478.18	(177.66)
Dividend paid	(750.66)	(488.38)
Interest paid	(270.73)	(394.78)
Net Cash flow from Financing Activities- C	**(816.62)**	**(1,333.91)**
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**251.01**	**13.13**
Cash and Cash Equivalents(Opening Balance) (See Note 1 below)	13.72	0.59
Cash and Cash Equivalents(Closing Balance) (See Note 1 below)	264.74	13.72

Notes

1 Cash and cash equivalents consists of cash in hand and balances with banks. Cash and cash equivalents included in the cash flow statement comprise of following balance sheets amounts as per Note-8 in ₹ Crore

Balances with banks	264.74	13.72
Cheques and drafts on hand	-	-
Others (Frankling machine balance Nil (Nil as at 31 March 2022)	-	-

a) Refer Note 39 for details of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments.

b) Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

S.P. ASSOCIATES Chennai F.No. 005506S Chartered Accountants

NTPC TAMILNADU ENERGY COMPANY LIMITED(A Joint Venture of NTPC Ltd. and TANGEDCO)
Regd. Office: Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003
CIN: U40108DL2003PLC120487

For the year ended 31st March 2023 ₹ Crore

Particulars	Non-current borrowings *	Current borrowings	Interest on borrowings
Opening balance as at 1 April 2022	3,839.16	506.70	1.73
Interest accrued during the year (in cash)	-	-	303.85
Loan repayments net of drawals / interest payment during the year (in cash)	(251.29)	478.18	(300.00)
Closing balance as at 31 March 2023	3,587.87	984.88	5.58

* includes current maturities of non-current borrowings, refer Note 20

For the year ended 31st March 2022 ₹ Crore

Particulars	Non-current borrowings *	Current borrowings	Interest on borrowings
Opening balance as at 1 April 2021	4,137.72	684.36	4.69
Interest accrued during the year (in cash)	-	-	349.93
Loan repayments net of drawals / interest payment during the year (in cash)	(298.56)	(177.66)	(352.89)
Closing balance as at 31 March 2022	3,839.16	506.70	1.73

The accompanying notes 1 to 45 form an integral part of these financial statements.

In terms of our report of even date
For S.P. Associates
Chartered Accountants
FRN : 005506S

For and on behalf of the Board of Directors

(A B Karthikeyan)
Partner
M.No.029518

S.P. ASSOCIATES Chennai F.No. 005506S Chartered Accountants

(Amit Garg)
Company Secretary

(M.Maheswari Bai)
Director
DIN 07160357

(Ramesh Babu V)
Chairman
DIN 08736805

(A K Chattopadhyay)
CEO

(V Meenakshi Sundaram)
HOD(F)

Place : Chennai
Dated : 17.05.2023

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NTPC TAMILNADU ENERGY COMPANY LIMITED(A Joint Venture of NTPC Ltd. and TANGEDCO)
Regd. Office: Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003
CIN: U40108DL2003PLC120487

STATEMENT OF CHANGES IN EQUITY

(A) Equity share capital

For the year ended 31 March 2023

₹ Crore

Balance as at 1 April 2022	Changes in equity share capital due to prior period errors	Change in equity share capital during the year	Balance as at 31 Mar 2023
2,872.79	-		2,872.79

For the year ended 31 March 2022

₹ Crore

Balance as at 1 April 2021	Changes in equity share capital due to prior period errors	Change in equity share capital during the year	Balance as at 31 Mar 2022
2,872.79		-	2,872.79

(B) Other equity

For the year ended 31 March 2023

₹ Crore

Particulars	Share Application Money pending Allotment	Equity Component of Compound Financial Instruments	Reserves & surplus						Items of other comprehensive income (OCI)		Total
			Capital Reserve	Securities Premium Reserve	Fly ash utilisation reserve fund	Corporate Social Responsibility (CSR) Reserve	General reserve	Retained earnings	Remeasurement of defined benefit plans	Equity instruments through OCI	
Balance as at 1 April 2022	**30.00**	-	-	-	**14.77**	**1.65**	-	**827.45**	**0.04**	-	**873.91**
Profit for the year	-	-	-	-	-	-	-	848.21	-	-	848.21
Other comprehensive income	-	-	-	-	-	-	-	-	0.03	-	0.03
Total comprehensive income	-	-	-	-	-	-	-	**848.21**	**0.03**	-	**848.24**
Adjustment/addition made during the year	30.00	-	-	-	-	-	-	-	-	-	30.00
Transfer to CSR reserve fund	-	-	-	-	-	(1.65)	-	-	-	-	(1.65)
Transfer to Fly ash reserve fund	-	-	-	-	30.49	-	-	-	-	-	30.49
Interim Dividend paid	-	-	-	-	-	-	-	(750.66)	-	-	(750.66)
Balance as at 31 March 2023	**60.00**	-	-	-	**45.26**	-	-	**925.00**	**0.07**	-	**1,030.33**

S.P. ASSOCIATES * Chartered Accountants * F.No. 003206S

NTPC TAMILNADU ENERGY COMPANY LIMITED(A Joint Venture of NTPC Ltd. and TANGEDCO)
Regd. Office: Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003
CIN: U40108DL2003PLC120487

For the year ended 31 March 2022

₹ Crore

Particulars	Share Application Money pending Allotment	Equity Component of Compound Financial Instruments	Reserves & surplus						Items of other comprehensive income (OCI)		Total
			Capital Reserve	Securities Premium Reserve	Fly ash utilisation reserve fund	Corporate Social Responsibility (CSR) Reserve	General reserve	Retained earnings	Remeasurement of defined benefit plans	Equity instruments through OCI	
Balance as at 1 April 2021	-	-	-	-	4.46	-	-	517.72	0.03	-	522.21
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	4.46	-	-	517.72	0.03	-	522.21
Profit for the year	-	-	-	-	-	-	-	798.11	-	-	798.11
Other comprehensive income	-	-	-	-	-	-	-	-	0.01	-	0.01
Total comprehensive income	-	-	-	-	-	-	-	798.11	0.01	-	798.12
Adjustment/addition made during the year	30.00	-	-	-	-	-	-	-	-	-	30.00
Transfer to CSR reserve fund	-	-	-	-	-	1.65	-	-	-	-	1.65
Transfer to Fly ash reserve fund	-	-	-	-	10.31	-	-	-	-	-	10.31
Interim Dividend paid	-	-	-	-	-	-	-	(488.38)	-	-	(488.38)
Balance as at 31 March 2022	**30.00**	-	-	-	**14.77**	**1.65**	-	**827.45**	**0.04**	-	**873.91**

For S.P. Associates
Chartered Accountants
FRN : 005506S

(A B Karthikeyan)
Partner
M.No.029518

S.P. ASSOCIATES Chennai F.No. 005506S Chartered Accountants

Place : Chennai
Dated : 17.05.2023

For and behalf of the Board of Directors

(Amit Garg)
Company Secretary

(M.Maheswari Bai)
Director
DIN 07160357

(Ramesh Babu V)
Chairman
DIN 08736805

(A K Chattopadhyay)
CEO

(V Meenakshi Sundaram)
HOD(F)

NTPC TAMILNADU ENERGY COMPANY LIMITED

(A Joint Venture of NTPC Ltd and TANGEDCO)

Note 1. Significant Accounting Policies for FY 2022-23

1. Company Information and Significant Accounting Policies

A. Reporting entity

NTPC Tamilnadu Energy Company Limited (the "Company") is a Company domiciled in India and limited by shares (CIN: U40108DL2003PLC120487). The Company is a Joint Venture of NTPC Limited and TANGEDCO. The address of the Company's registered office is NTPC Bhawan, CORE 7, SCOPE Complex, 7 Institutional Area, Lodhi Road, New Delhi -110003. The Company is involved in the generation and sale of bulk power to State Power Utilities.

B. Basis of preparation

1. Statement of Compliance

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

These financial statements were authorized for issue by the Board of Directors on 17th May 2023.

2. Basis of measurement

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

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date.

3. Functional and presentation currency

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

4. Current and non-current classification

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

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

S.P. ASSOCIATES Chennai F.No. 005006S Chartered Accountants

All other assets are classified as non-current.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

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

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

C. Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

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

1. Property, plant and equipment

1.1. Initial recognition and measurement

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

Items of property, plant and equipment are initially recognized at cost. Cost comprises purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates, any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the present value of initial estimate of cost of dismantling, removal and restoration.

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

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

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

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

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

S.P. ASSOCIATES Chennai F.No. 00[illegible]S Chartered Accountants

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

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

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

1.2. Subsequent costs

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

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

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

1.3. Decommissioning costs

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

1.4. Derecognition

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

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

1.5. Depreciation/amortization

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

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

Depreciation on the following assets is provided on their estimated useful lives, which are

S.P. ASSOCIATES Chennai F.No. 002506S Chartered Accountants

different from the useful lives as prescribed under Schedule II to the Companies Act, 2013, ascertained on the basis of technical evaluation/ assessment:

a) Kutcha roads	2 years
b) Enabling (Temporary) works	
- residential buildings	15 years
- internal electrification of residential buildings	10 years
- non-residential buildings including their internal electrification, water supply, sewerage & drainage works, railway sidings, aerodromes, helipads and airstrips.	5 years
c) Personal computers & laptops including peripherals	3 years
d) Photocopiers, fax machines, water coolers and refrigerators	5 years
e) Temporary erections including wooden structures	1 year
f) Telephone exchange	15 years
g) Wireless systems, VSAT equipments, display devices viz. projectors, screens, CCTV, audio video conferencing systems and other communication equipments	6 years
h) Energy saving electrical appliances and fittings	2-7 years
i) Hospital equipment	5-10 years
j) Furniture and Fixture	5-15 years

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

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

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

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

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

Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long-term liabilities (recognized up to 31 March2016) on account of exchange fluctuation and price adjustment change in duties or similar factors, the unamortized balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/amortization.

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

In circumstance, where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the same period.

The residual values, useful lives and method of depreciation of assets other than the assets of

S.P. ASSOCIATES Chennai F.No. 003506S Chartered Accountants

generation of electricity business and integrated coal mines governed by CERC Tariff Regulations, are reviewed at each financial year end and adjusted prospectively, wherever required.

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

Refer policy no. C.15 in respect of depreciation/amortization of right-of-use assets.

2. Capital work-in-progress

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

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

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

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

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

3. Intangible assets and intangible assets under development

3.1. Initial recognition and measurement

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost comprises purchase price including import duties, non - refundable taxes after deducting trade discounts and rebates and any directly attributable expenses of preparing the asset for its intended use.

Expenditure on development activities is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

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

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3.2. Subsequent costs:

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

3.3. Derecognition

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

3.4. Amortization

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

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

4. Regulatory deferral account balances

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

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

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

5. Borrowing costs

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

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

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of all borrowings that are outstanding during the

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

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

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

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

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

6. Inventories

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Costs of purchased inventory are determined after deducting rebates, trade discounts and other similar items. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

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

Scrap inventory is valued at estimated realizable value.

7. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

8. Fly ash utilization reserve fund

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

9. Provisions, contingent liabilities and contingent assets.

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

S ASSOCIATES Chennai F.No. 0[illegible]006S Chartered Accountants specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

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

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

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

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

10. Foreign currency transactions and translation

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

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

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

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11. Revenue

Company's revenues arise from sale of energy and other income. Revenue from sale of energy are regulated and governed by the applicable CERC Tariff Regulations under Electricity Act, 2003. Revenue from other income comprises interest from banks, employees, contractors etc., surcharge received from beneficiaries for delayed payments, sale of scrap, L.D income, income from usage charges of company's assets, other miscellaneous income, etc.

11.1. Revenue from sale of energy

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

Revenue is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. The Company recognizes revenue when (or as) the performance obligation is satisfied, which typically occurs when (or as) control over the products or services is transferred to a customer.

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

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

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

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

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

11.2. Other income

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

For debt instruments measured either at amortized cost or at fair value through other comprehensive income (OCI), interest income is recorded using the EIR. For credit impaired financial assets the EIR is applied to the net carrying amount of the financial asset (after deduction of the loss allowance). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

For purchased or originated credit-impaired (POCI) financial assets interest income is recognized by calculating the credit-adjusted EIR and applying that rate to the amortized cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortized cost of the POCI assets.

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

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

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

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

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

12. Employee benefits

12.1. In respect of employees on secondment from the parent company i.e, NTPC Limited:

Employee benefits include provident fund, pension, gratuity, post retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits. In terms of the arrangement with the Parent 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.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefits expense in profit or loss in the period during which services are rendered by employees. Prepaid contributions are recognized as an asset to

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the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due after more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability towards gratuity is in the nature of defined benefit plan. The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Company if it is realizable during the life of the plan, or on settlement of the plan liabilities. Any actuarial gains or losses are recognized in OCI in the period in which they arise. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in profit or loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognized immediately in statement of profit and loss.

12.2. In respect of employees on deputation from TANGEDCO, Pension and leave salary are being reimbursed to TANGEDCO based on TANGEDCO terms of service.

12.3. In respect employees on rolls of the company, provident fund and pension are provided on actual basis, whereas provision for leave encashment and gratuity are provided on actuarial basis.

12.4. Other long-term employee benefits

Benefits under the Company's leave encashment constitute other long term employee benefits.

The Company's net obligation in respect of leave encashment is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognized in profit or loss in the period in which they arise.

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

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12.5. Short-term benefits

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

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

13. Other expenses

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

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

14. Income tax

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

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

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

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized. The income tax consequences of dividends are recognized in profit and loss, other comprehensive income or equity according to where the company originally recognized those past transactions or events.

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

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

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

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

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

15. Leases

15.1. As lessee

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

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

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

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

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

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

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

15.2. As lessor

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

Accounting for finance leases

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

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

Accounting for operating leases

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

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

16. Impairment of non-financial assets

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

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

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smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

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

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

17. Operating segments

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

18. Dividends

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

19. Material prior period errors

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

20. Earnings per share

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

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

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

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

21. Statement of cash flows

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

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7 'Statement of Cash Flows'.

22. Financial instruments

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

22.1. Financial assets

Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not valued at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

Debt instruments at amortized cost

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

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

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

Debt instrument at FVTOCI (Fair Value through OCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
(b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL (Fair value through profit or loss)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss. Interest income on such investments is

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presented under 'Other income'.

Derecognition

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

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

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

The difference between the carrying amount and the amount of consideration received / receivable is recognized in the Statement of Profit and Loss.

Impairment of financial assets

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

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

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

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

22.2. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of liabilities subsequently

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measured at amortized cost net of directly attributable transaction cost. The Company's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

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

Financial liabilities at amortized cost

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Derecognition

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

23. Non -Current Assets Held for Sale

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

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

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

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

D. Use of estimates and management judgments

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

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

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

1. Formulation of accounting policies

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

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

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

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

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

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

4. Post-employment benefit plans

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

5. Revenues

The Company records revenue from sale of energy based on tariff rates approved by the CERC as modified by the orders of Appellate Tribunal for Electricity, if any, as per principles

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enunciated under Ind AS 115. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations.

6. Leases not in legal form of lease

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

7. Assets held for sale

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

8. Regulatory deferral account balances

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

9. Provisions and contingencies

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

10. Income taxes

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

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Regd. Office: Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003
CIN: U40108DL2003PLC120487

2. Property, plant & equipment

As on 31 Mar 2023

₹ Crore

Particulars	Gross block				Depreciation/amortisation and impairment				Net block	
	As at 01.04.2022	Additions	Deductions/ adjustments	As at 31.03.2023	Upto 01.04.2022	For the year	Deductions/ Deductions/	Upto 31.03.2023	As at 31.03.2023	As at 31.03.2022
Land										
(including development expenses)										
Freehold	131.05	-	(2.16)	133.21	-	-	-	-	133.21	131.05
Leasehold	18.70	-	(0.97)	19.67	7.15	1.06	-	8.21	11.46	11.55
Roads, bridges, culverts & helipads	131.04	-	-	131.04	28.21	4.56	-	32.77	98.27	102.83
Building	-	-	-	-	-	-	-	-	-	-
Freehold	-	-	-	-	-	-	-	-	-	-
Main plant	757.26	-	-	757.26	178.83	26.72	-	205.55	551.71	578.43
Others	305.41	51.78	(3.40)	360.59	54.96	11.43	-	66.39	294.20	250.45
Temporary erection	0.69	-	-	0.69	0.69	-	-	0.69	-	-
Water supply, drainage & sewerage system	24.30	-	-	24.30	6.64	1.11	-	7.75	16.55	17.66
Plant and equipment										
Owned	7,958.16	83.45	11.00	8,030.61	3,092.08	455.70	6.29	3,541.49	4,489.12	4,866.08
Furniture and fixtures	23.35	0.30	-	23.65	6.56	1.45	-	8.01	15.64	16.79
Vehicles including speedboats	-	-	-	-	-	-	-	-	-	-
Owned	0.56	0.03	-	0.59	0.30	0.05	-	0.35	0.24	0.26
Office equipment	7.34	0.68	0.16	7.86	2.58	0.71	0.15	3.14	4.72	4.76
EDP, WP machines and satcom equipment	4.40	0.54	2.09	2.85	3.59	0.37	2.08	1.88	0.97	0.81
Construction equipments	11.86	0.09	-	11.95	6.72	0.87	-	7.59	4.36	5.14
Electrical installations	8.38	-	-	8.38	3.78	0.35	-	4.13	4.25	4.60
Communication equipments	1.37	-	-	1.37	0.52	0.10	-	0.62	0.75	0.85
Hospital equipments	0.16	-	-	0.16	0.05	0.02	-	0.07	0.09	0.11
Overhauling Expenses capitalised	133.56	42.65	-	176.21	96.48	30.37	-	126.85	49.36	37.08
Assets for ash utilisation	0.48	-	-	0.48	-	-	-	-	0.48	0.48
* Less: Adjusted from fly ash utilisation reserve fund	0.48	-	-	0.48	-	-	-	-	0.48	0.48
Total	**9,517.59**	**179.52**	**6.72**	**9,690.39**	**3,489.14**	**534.87**	**8.52**	**4,015.49**	**5,674.90**	**6,028.45**

a) Freehold Land includes 75 acres (Previous year 75 acres) of salt pan land of value ₹ 30.21 crore (Previous year ₹ 28.06 crore) which is in physical possession of the company of which legal formalities for transfer of land is pending.
b) Leased Land represents 62.81 acres of land of value ₹ 24.21 crore (previous year 62.81 acres of value ₹ 24.21 crore) taken on from TANGEDCO in respect of which lease agreement is pending execution.
c) Refer Note 16 for information on property, plant and equipment pledged as security by the company.
d) Refer Note 36 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
e) Property , Plant & Equipment has been prepared as per IND AS 10
f) The right of use of land are amortized over the period of legal right to use or life of the related plant, whichever is less.
g) Deduction/adjustments from gross block and depreciation/amortisation/impairment for the year includes:

₹ Crore

	Gross block		Depreciation/ amortisation/impairment	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Disposal of assets	-	-	-	-
Retirement of assets	15.73	15.00	8.53	5.17
Cost adjustments including exchange differences	(22.45)	(7.31)	-	-
Assets capitalised with retrospective effect/write back of excess capitalisation	-	-	-	-
Others	-	-	-	-
	6.72	7.69	8.53	5.17

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CIN: U40108DL2003PLC120457

h) 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 Mar 2023 (₹ Crore)		For the year ended 31 Mar 2022 (₹ Crore)	
	Exchange Difference incl. in fixed assets / CWIP	Borrowing costs incl in fixed assets/ CWIP	Exchange Difference incl. in fixed assets / CWIP	Borrowing costs incl in fixed assets/ CWIP
Building				
Main plant	-	-	-	-
Others	-	-	-	-
Hydraulic works, barrages, dams, tunnels and power channel	-	-	-	-
MGR track and signalling system	-	-	-	-
Railway siding	-	-	-	-
Plant and equipment	-	-	0.05	-
Others including pending allocation	-	-	-	-
	-	-	0.05	-

Note 2a. Intangible assets

As at 31 Mar 2023 ₹ Crore

Particulars	Gross block				Amortisation				Net block	
	As at 01.04.2022	Additions	Deductions/ adjustments	As at 31.03.2023	Upto 01.04.2022	For the year	Deductions/ adjustments	Upto 31.03.2023	As at 31.03.2023	As at 31.03.2022
Software	7.80	0.01	-	7.81	3.49	2.36	-	5.85	1.96	4.31
Right of use	5.92	-	-	5.92	1.98	0.28	-	2.26	3.66	3.94
Total	13.72	0.01	-	13.73	5.47	2.64	-	8.11	5.62	8.25

i) The right of use in Intangible asset includes right of use of sea water corridor CW channel (sharing of 7.5 cumsec of cooling channel)

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

	Gross Block (₹ Crore)		Amortisation (₹ Crore)	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Disposal of assets	-	-	-	-
Cost adjustments	-	-	-	-
Total	-	-	-	-

Depreciation/amortisation/impairment of tangible and intangible assets for the year is allocated as given below:

₹ Crore

	2022-23	2021-22
Charged to statement of profit and loss	512.83	500.81
Allocated to fuel cost	24.68	23.53
Transferred to expenditure during construction period (net) - Note 30	-	-
Total	537.51	524.34

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CIN: U40108DL2003PLC120487

As at 31 March 2022

₹ Crore

Particulars	Gross block				Depreciation/amortisation and impairment				Net block	
	As at 01.04.2021	Additions	Deductions/ adjustments	**As at 31.03.2022**	Upto 01.04.2021	For the year	Deductions/ adjustments	**Upto 31.03.2022**	As at 31.03.2022	**As at 31.03.2021**
Land										
(including development expenses)										
Freehold	128.89	-	(2.16)	**131.05**	-	-	-	-	**131.05**	128.89
Leasehold	18.70	-	-	**18.70**	6.12	1.03	-	**7.15**	**11.55**	12.58
Roads, bridges, culverts & helipads	130.66	0.06	(0.32)	**131.04**	23.65	4.56	-	**28.21**	**102.83**	107.01
Building		-	-	-	-	-	-	-	-	-
Freehold		-	-	-	-	-	-	-	-	-
Main plant	756.54	0.71	(0.01)	**757.26**	152.13	26.70	-	**178.83**	**578.43**	604.41
Others	268.91	30.23	(6.27)	**305.41**	42.67	12.29	-	**54.96**	**250.45**	226.24
Temporary erection	0.69	-	-	**0.69**	0.69	-	-	**0.69**	-	-
Water supply, drainage & sewerage system	24.30	-	-	**24.30**	5.56	1.08	-	**6.64**	**17.66**	18.74
Plant and equipment		-	-	-	-	-	-	-	-	-
Owned	7,860.94	98.29	1.07	**7,958.16**	2,647.63	449.62	5.17	**3,092.08**	**4,866.08**	5,213.31
Furniture and fixtures	20.62	2.73	-	**23.35**	5.16	1.40	-	**6.56**	**16.79**	15.46
Vehicles including speedboats		-	-	-	-	-	-	-	-	-
Owned	0.56	-	-	**0.56**	0.25	0.05	-	**0.30**	**0.26**	0.31
Office equipment	6.54	0.80	-	**7.34**	1.82	0.76	-	**2.58**	**4.76**	4.72
EDP, WP machines and satcom equipment	4.17	0.23	-	**4.40**	3.27	0.32	-	**3.59**	**0.81**	0.90
Construction equipments	11.55	0.31	-	**11.86**	5.65	1.07	-	**6.72**	**5.14**	5.90
Electrical installations	8.38	-	-	**8.38**	3.33	0.45	-	**3.78**	**4.60**	5.05
Communication equipments	1.32	0.05	-	**1.37**	0.41	0.11	-	**0.52**	**0.85**	0.91
Hospital equipments	0.14	0.02	-	**0.16**	0.03	0.02	-	**0.05**	**0.11**	0.11
Overhauling Expenses capitalised	116.48	17.08	-	**133.56**	74.23	22.25	-	**96.48**	**37.08**	42.25
Assets for ash utilisation	0.48	-	-	**0.48**	-	-	-	-	**0.48**	0.48
* Less: Adjusted from fly ash utilisation reserve fund	0.48	-	-	**0.48**	-	-	-	-	**0.48**	0.48
Total	**9,359.39**	**150.51**	**-7.69**	**9,517.59**	**2,972.60**	**521.71**	**5.17**	**3,489.14**	**6,028.45**	**6,386.79**

Intangible assets
As at 31 March 2022

₹ Crore

Particulars	Gross block				Amortisation				Net block	
	As at 01.04.2021	Additions	Deductions/ adjustments	**As at 31.03.2022**	Upto 01.04.2021	For the year	Deductions/ adjustments	**Upto 31.03.2022**	**As at 31.03.2022**	As at 31.03.2021
Software	7.80	-	-	**7.80**	1.14	2.35	-	**3.49**	**4.31**	6.66
Right of use	5.92	-	-	**5.92**	1.69	0.28	-	**1.98**	**3.94**	4.23
Total	**13.72**	**-**	**-**	**13.72**	**2.83**	**2.63**	**-**	**5.47**	**8.25**	**10.89**

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CIN: U40108DL2003PLC120487

3. Capital work-in-progress
As at 31 MAR 2023

₹ Crore

Particulars	As at 01.04.2022	Additions	Deductions/ adjustments	Capitalised	**As at 31.03.2023**
Development of land	-	-	-	-	-
Roads, bridges, culverts & helipads	-	-	-	-	-
Buildings	-	-	-	-	-
Main plant	43.73	2.86	(41.10)	-	**5.49**
Others	3.99	14.50	35.83	51.78	**2.54**
Temporary erection	-	-	-	-	-
Water supply, drainage and sewerage system	-	-	-	-	-
Plant and equipment *	435.23	545.55	(8.90)	83.32	**888.56**
office equipment	-	0.68	-	0.68	-
laboratory & workshop equipment	0.09	0.82	(0.77)	0.14	-
Vehicles	-	0.09	(0.06)	0.03	-
Hospital equipments	-	-	-	-	-
ConstEq (DirCap)	-	0.17	(0.08)	0.09	-
Furniture & Electrical installations	0.01	0.31	(0.01)	0.30	**0.01**
Interior Communication equipment	-	2.02	(1.49)	0.54	**(0.01)**
Assets for ash utilization	-	-	-	-	-
	483.05	**567.00**	**(16.58)**	**136.88**	**896.59**
Other expenditure directly attributable to project construction					
Less: Allocated to related works					
	483.05	567.00	-16.58	136.88	896.59
Less: Provision for unserviceable works	(82.71)		-		(82.71)
	400.34	**567.00**	**(16.58)**	**136.88**	**813.88**
Construction stores (net of provision)	68.85	1.65	(39.48)	-	**31.02**
Total	**469.19**	**568.65**	**(56.06)**	**136.88**	**844.90**

a) Material in transit - As at 31 Mar 2023 - ₹ 1.65 Crores - As at 31 Mar 2022 - ₹ 36.12 Crores
b) Construction stores are net of provision for shortages pending investigation
c) Refer Note 45 for ageing and other disclosure on CWIP as per schedule III amendments.
d) * Plant & Machinery includes FGD expenditure during construction period (net) - Note 30

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Regd. Office: Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003
CIN: U40108DL2003PLC120487

Capital work-in-progress
As at 31 March 2022

₹ Crore

Particulars	As at 01.04.2021	Additions	Deductions/ adjustments	Capitalised	**As at 31.03.2022**
Development of land	-		-	-	-
Roads, bridges, culverts & helipads	0.06		0.30	0.36	-
Buildings				-	-
Main plant	52.21		(1.03)	7.45	**43.73**
Others	17.87	0.12	17.28	31.28	**3.99**
Temporary erection	2.27		(2.24)	0.03	-
Water supply, drainage and sewerage system	-		-	-	-
Plant and equipment*	218.97	52.80	272.22	108.76	**435.23**
Office equipment	0.35	0.32	-	0.67	-
Laboratory & workshop equipment	0.17	0.56	-	0.64	**0.09**
Vehicles	-	0.31	-	0.31	-
Hospital eqipments	-	0.01	-	0.01	-
ConstEq (DirCap)	-	-	-	-	-
Furniture & Electrical installations	1.66	1.06	-	2.71	**0.01**
Interior Communication equipment	0.10	0.19	-	0.29	-
Assets for ash utilization	-		-	-	-
	293.66	55.37	286.53	152.51	**483.05**
Expenditure pending allocation					
Other expenditure directly attributable to project construction					
Less: Allocated to related works					
	293.66	55.37	286.53	152.51	**483.05**
Less: Provision for unserviceable works			(82.71)	-	**(82.71)**
	293.66	55.37	203.82	152.51	**400.34**
Construction stores (net of provision)	79.53	36.12	(46.80)	-	**68.85**
Total	**373.19**	**91.49**	**157.02**	**152.51**	**469.19**

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NTECL NTPC TAMILNADU ENERGY COMPANY LIMITED(A Joint Venture of NTPC Ltd. and TANGEDCO)
Regd. Office: Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003
CIN: U40108DL2003PLC120487

4. Non-current-Trade Receivables

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Non-current financial assets - Trade receivables		
Unsecured, considered good	**948.33**	-
	948.33	-

4a. Non-current financial assets

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
i) Loans		
Employees (including accrued interest)		
Secured	**0.20**	0.22
Unsecured (considered good)	**0.04**	0.01
Total	**0.24**	0.23

a) Details of collateral held as security:
Secured Loans to the employee are secured against the vehicles for which such loans have been given in line with the policies of the Company.

4b. Other financial assets (non-current)

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
ii) Other financial assets - Security Deposits	-	-
	-	-

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5. Other non current assets

₹ Crore

Particulars	**As at 31.03.2023**	As at 31.03.2022
Capital advances		
Unsecured		
Covered by bank guarantee	**18.00**	**47.35**
Others	**1.21**	**17.34**
	19.21	**64.69**
	-	-
Advances other than capital advances		
Advance tax & tax deducted at source	-	-
	-	-
Total	**19.21**	**64.69**

S.P. ASSOCIATES Chartered Accountants F.No. 00[illegible]606S

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CIN: U40108DL2003PLC120487

6. Inventories

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Coal	253.23	257.47
Fuel oil	14.28	14.08
Stores & spares	166.35	168.44
Chemicals & consumables	6.16	2.07
Loose tools	0.33	0.35
Steel scrap	-	-
Others	41.90	35.99
Total	482.25	478.40
Inventories include material-in-transit and under inspection		
Coal	112.00	233.10
Stores & spares	0.60	0.11

a) Inventory items have been valued as per significant accounting policy no. C.6 (Note 1).

b) Inventories - Others include steel, cement etc.

c) Refer Note 16 for information on inventories pledged as security by the Company.

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7. Trade receivables

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Trade receivables		
Unsecured, considered good (Outstanding for a period exceeding six months from the date they are due for payment)	3.29	-
Unsecured, considered good (Outstanding for a period less than six months from the date they are due for payment)	907.94	1,924.80
	911.23	1,924.80
Less: Allowance for bad & doubtful receivables	-	-
Debtors Adjustment- Energy (Provision for Differential capacity charges)	(569.22)	(632.96)
Unbilled revenue	523.15	488.68
Total	865.16	1,780.52

a) Based on the arrangements between Company, Bank and beneficiary, the bills of TANGEDCO worth Rs. Nil have been discounted during the year (Previous year : ₹ 1346.66 Crore).

b) Unbilled revenue of ₹ 523.15 Crore (31 March 2022 ₹ 488.68 crore) billed to the beneficiaries after 31 Mar 2023 for energy sales of FY 2022-23

Trade Receivables ageing schedule as at 31 March 2023

₹ Crore

Particulars	Unbilled *	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	(46.06)	392.79	515.14	3.29	-	-	-	865.16
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	(46.06)	392.79	515.14	3.29	-	-	-	865.16

Trade Receivables ageing schedule as at 31 March 2022

₹ Crore

Particulars	Unbilled *	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	(144.28)	443.42	1481.38	-	-	-	-	1780.52
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	(144.28)	443.42	1,481.38	-	-	-	-	1780.52

*CERC Regulations provides that where after the truing-up, the tariff already 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 company had estimated the capacity charges to be receivable from beneficiaries and an amount of Rs. 569.21 Crore (Rs (632.95) Crore for year ended 31.03.2022) has been provided towards the differential capacity charges and has been netted & shown against Unbilled dues.

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Chennai
Chartered Accountants

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8. Cash and cash equivalents

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Balances with banks		
Current accounts	264.74	13.72
Cheques & drafts on hand	-	-
Others (Franking machine balance NIL- as at 31 March 2022)	-	-
Total	**264.74**	**13.72**

8a. Bank balances other than cash and cash equivalent (including interest accrued)

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Other bank balances		
Deposits with original maturity of more than three months and maturing within one year	-	-
Total	-	-

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9. Current loans

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Loans (including interest accrued)		
Employees (including accrued interest)		
Secured (considered good)	**0.04**	0.03
Unsecured (considered good)	**0.02**	0.03
Total	**0.06**	0.06

a) Details of collateral held as security:
Secured Loans to the employee are secured against the vehicles for which such loans have been given in line with the policies of the Company.

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10. Other current financial assets

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Security deposits (unsecured)	7.62	8.97
Debtors for other services	97.09	17.85
Total	**104.71**	26.82

10a. Current tax Assets (Net)

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Current tax (net of advance tax)	**51.56**	-

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CIN: U40108DL2003PLC120487

11. Other current assets

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
(unsecured, considered good unless otherwise stated)		
Advances		
Related parties	-	
Employees	0.01	0.01
Contractors & suppliers	111.25	65.58
Others	-	-
	111.26	65.59
Claims recoverable		
Related parties		
Contractors & suppliers	142.11	119.27
	142.11	119.27
Others	15.98	-
Total	269.35	184.86

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12. Regulatory deferral account debit balances

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
On account of Employee benefits expense/Exchange Diff	**2.23**	8.63
On account of Deferred tax	**487.27**	179.15
	489.50	187.78

Regulatory deferral account balances have been accounted in line with Accounting policy no. C.4. Refer Note 43 for detailed disclosures.

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13. Share capital

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Equity share capital		
Authorised		
300,00,00,000 shares of par value ₹10/- each (300,00,00,000 shares of par value ₹10/- each as at 31 March 2022)	**3,000**	3,000
Issued, subscribed and fully paid up		
287,27,92,224 shares of par value ₹10/- each (287,27,92,224 shares of par value ₹10/- each as at 31 March 2022)	**2,872.79**	2,872.79

a) **Movements in equity share capital:**

	31.03.2023		31.03.2022	
Particulars	**No of shares**	**Amount in ₹**	No of shares	Amount in ₹
At the beginning of the period	**2,87,27,92,224**	**28,72,79,22,240**	2,87,27,92,224	28,72,79,22,240
Issued during the Year			-	-
Outstanding at the end of period	**2,87,27,92,224**	**28,72,79,22,240**	2,87,27,92,224	28,72,79,22,240

b) **Terms and rights attached to equity 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.

c) **Details of shareholders holding more than 5% shares in the Company:**

Particulars	31.03.2023		31.03.2022	
	No. of shares	**%age holding**	No. of shares	%age holding
- NTPC	**1,43,63,96,112**	**50**	1,43,63,96,112	50
- TANGEDCO	**1,43,63,96,112**	**50**	1,43,63,96,112	50

d) **Details of shareholding of Promoters:**

Sl no	Promoter Name	31.03.2023		% change during the year	31.03.2022		% change during the year
		No. of shares	%age holding	%	No. of shares	%age holding	%
1	- NTPC	1,43,63,96,112	50	-	1,43,63,96,112	50	-
2	- TANGEDCO	1,43,63,96,112	50	-	1,43,63,96,112	50	-

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14. Other equity

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Fly ash utilisation reserve fund	**45.26**	14.77
Retained earnings	**925.07**	827.49
Corporate Social Responsibility (CSR) reserve	-	1.65
Share Application Money Pending Allotment	**60.00**	30.00
Total	**1,030.33**	873.91

	For the year ended 31.03.2023	31.03.2022
(a) Fly ash utilisation reserve fund		
Opening balance	**14.77**	4.46
Add: Transfer from	-	-
Revenue from operations	**38.96**	11.37
Less: Utilised during the year	-	-
Capital expenditure	-	-
Employee benefits expense	-	-
Other Expenses including Tax expenses	**8.47**	1.06
Closing balance	**45.26**	14.77

Pursuant to gazette notification dated 3 November 2009, issued by the Ministry of Environment and Forest (MOEF), Government of India (GOI), the amount collected from sale of fly ash and fly ash based products should be kept in a separate account head and shall be 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.

(b) Retained earnings		
Opening balance	827.49	517.75
Less: Dividend paid during 2022-23	(750.66)	(488.38)
Add: Profit for the year as per Statement of Profit and Loss	848.24	798.12
Closing balance	**925.07**	827.49
(c) Corporate Social Responsibility (CSR) reserve		
Opening balance	1.65	-
Addition during the year	-	1.65
Less: Utilised during the year	1.65	
Closing balance	-	1.65
(d) Share Application Money Pending Allotment		
TANGEDCO	30.00	30.00
NTPC	30.00	-
Closing balance	**60.00**	30.00

* Proceeds from right issue pending allotment of shares for want of Demat Account by one of the shareholder "M/S TANGEDCO"

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16. Non current Borrowings

₹ Crore

Particulars	**As at 31.03.2023**	**As at 31.03.2022**
Term loans		
From Financial Institutions		
Secured		
Loan from REC Phase 1 , UBI & SBI (FGD)	3,591.77	3,840.89
	3,591.77	3,840.89
Less : Current maturities of long term borrowings		
Loan from REC Phase 1 , UBI, SBI (FGD)	509.08	456.96
	509.08	456.96
Less : Interest accrued but not due		
Loan from REC Phase 1 , UBI, SBI (FGD)	3.90	1.73
	3.90	1.73
Loan from REC Phase 1 , UBI & SBI (FGD)	3,078.79	3,382.20
Total	3,078.79	3,382.20

a) As on 31.03.2023, the rupee term loans from REC carry interest rate at 6.87% p.a. for Phase-I . The interest rate will be reset every three years, based on AAA bond rate plus 140 basis points. These are repayable in quarterly installments as per the terms of the respective agreements generally over a period of fifteen years after a moratorium period of four years. The principal repayment of Phase -I has started from 30.06.2014.

b) During the year 2021-22, the rupee term loans from REC for phase-II was refinanced with the term loan facility of Union bank of India. ₹ 1518.21 Crs were disbursed by UBI to repay the Phase-2 REC loan. The UBI term loan facility carry the interest rate of 8.05% p.a. (floating) based on UBI 1 month MCLR as on 31.03.2023. These are repayable in quarterly installments as per the terms of the respective agreements over a period of ten years.

c) As on 31.03.2023, the rupee term loans from SBI (for FGD) carry interest rate at 9.30% p.a. based on 100 basis point above 6 month MCLR. These are repayable in quarterly installments as per the terms of the agreement generally over a period of twelve years after a moratorium period of three years. The principal repayment of the loan has started from 31.03.2023.

d) All the above loans are Secured by first charge on all movable and immovable , present and future assets of the Company along with State Bank of India and Union Bank of India on reciprocal basis (towards cash credit facility extended by both).

e) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.

f) The borrowings have been utilised for the specific purpose for which the same has been drawn.

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Regd. Office: Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003
16a. Non-current - Lease liabilities CIN: U40108DL2003PLC120487

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Lease liabilities	-	-
Total	-	-

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CIN: U40108DL2003PLC120487

17. Non current trade payables

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Trade payable	-	-
Total	-	-

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18. Other non current financial liabilities

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Other liabilities		
Payable for capital expenditure	**40.77**	19.64
Others	**-**	-
Total	**40.77**	19.64

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19. Non current liabilities- Provisions

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Provision for employee benefits		
Opening Balance	**0.36**	0.32
Additions during the year	**0.01**	0.05
Adjustments during the year	-	(0.01)
Reversals during the year	-	-
Closing Balance	**0.37**	**0.36**

Disclosure as per Ind AS 19 on "Employee benefits" is made in Note 32.

19 A. Non current liabilities- Deferred tax liabilities

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Deferred tax liability	**852.02**	761.50
Less: Deferred tax Asset	-	104.44
Less: Deferred tax on account of MAT credit available	**364.75**	477.91
	487.27	179.15

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

b. The Company has recognized MAT credit entitlement available to the Company in future as the same is likely to give future economic benefits in the form of availability of set off against future income tax liability.

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20. Current borrowings

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Loans repayable on demand		
From banks		
Secured		
Cash credit	**984.88**	506.70
Current maturities of non-current borrowings		
Secured		
Rupee term loan	**509.08**	456.96
Total	**1,493.96**	963.66

a) There has been no default in servicing of loan as at the end of the year.

b) The Cash credit limit is availed from SBI & UBI which is secured by pari-passu charge on :

i) Inventory cum book debts and all current assets of the company,
ii) All movable, immovable fixed assets of the company, present and future alongwith REC Limited on reciprocal basis.

c) Details in respect of rate of interest and terms of repayment of current maturities of secured non-current borrowings indicated above are disclosed in Note 16.

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20a. Current - Lease liabilities

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Lease liabilities	-	-
Total	-	-

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21. Trade Payables

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
For goods and services		
Total outstanding dues of		
- micro and small enterprises	5.18	5.65
- creditors other than micro and small enterprises	385.04	370.12
Total	390.22	375.77

₹ Crore

Trade Payables ageing schedule as on 31 Mar 2023

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment#				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
A	B	C	D	E	F	G	H= B TO G
(i) MSME	-	3.08	2.10	-	-	-	5.18
(ii) Others	-	3.92	243.88	36.78	35.84	64.62	385.04
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	-	7.00	245.98	36.78	35.84	64.62	390.22

₹ Crore

Trade Payables ageing schedule as on 31.03.2022

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment#				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
A	B	C	D	E	F	G	H= B TO G
(i) MSME	-	3.22	2.43		-	-	5.65
(ii) Others	-	2.93	217.27	83.25	16.59	50.08	370.12
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	-	6.15	219.70	83.25	16.59	50.08	375.77

a) Disclosures as required under Companies Act, 2013/ MSMED Act, 2006 are provided in Note 44.

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22. Other current financial liabilities

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
From Financial Institutions		
Secured		
Interest accrued but not due on borrowings	**5.58**	1.73
Payable for capital expenditure	**435.66**	400.50
Payable to Employees	**17.04**	9.07
Deposits from contractors and others	**6.51**	6.31
Payable to NTPC	**2.09**	14.16
Others-Payable	**0.07**	-
Total	**466.95**	431.77

a) Details in respect of rate of interest for long term borrowings indicated above are disclosed in Note 16.

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23. Other current liabilities

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Advances from Customers	-	4.17
Advances from Others	**6.65**	8.93
Other payables		
Tax deducted at source and other statutory dues	**13.01**	10.18
Others	**32.42**	55.43
Total	**52.08**	78.71

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F.No. 005506S
Chartered Accountants

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24. Current provisions

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Provision for		
i) Employee benefits		
Opening Balance	**0.49**	0.40
Additions during the year	**0.07**	0.12
Adjustments during the year	-	(0.03)
Reversals during the year	-	-
Closing Balance	**0.56**	0.49
ii) Provision for Tariff Adjustment		
Opening Balance	-	-
Additions during the year	**53.39**	-
Adjustments during the year	**41.14**	-
Reversals during the year	-	-
Closing Balance	**94.53**	-
iii) Shortage in Fixed Assets pending investigation		
Opening Balance	**3.00**	2.90
Additions during the year	**0.06**	0.10
Adjustments during the year	-	-
Reversals during the year	**(0.10)**	
Closing Balance	**2.96**	3.00
iv) Others		
Opening Balance	**9.61**	10.71
Additions during the year	-	-
Adjustments during the year	**(0.66)**	(1.09)
Reversals during the year	-	-
Closing Balance	**8.95**	9.62
Total (i+ii+iii+iv)	**107.00**	13.11

a) Billing to beneficiaries is being done based on true-up tariff order issued under Regulation 2014. In such cases, accounting is done based on Regulation 2019. Provision for tariff adjustment of ₹ 94.53 crore (including provisions for previous year i.e 2019-22, amounting to ₹ 41.14 Crore) is mainly towards the estimated interest payable to beneficiaries at the time of issue of tariff order.

b) Disclosures required by Ind AS 19 'Employee Benefits' is made in Note 32.

c) Other obligations include ₹ 7.26 Crore (Previous year ₹ 7.26 crore) towards arbitration award and Provision for development of Green Belt area ₹ 1.54 crore (previous year ₹2.20 crore).

24a. Current tax liabilities (net)

₹ Crore

Particulars	As at 31.03.2023	As at 31.03.2022
Current tax (net of advance tax)	-	**51.90**

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25. Revenue from operations

₹ Crore

Parti		**For the year ended 31.03.2023**	For the year ended 31.03.2022
Energy sales (including electricity duty)		**5,147.49**	4,223.70
Less : Rebate to Customers		**3.33**	2.45
		5,144.16	4,221.25
Sale of fly ash/ash products	**38.96**		11.37
Less: Transferred to fly ash utilisation reserve fund	**38.96**		11.37
		-	-
Other operating revenues			
Interest from customers		**6.74**	-
Energy internally consumed		**0.99**	0.81
Total		**5,151.89**	**4,222.06**

a) The Company's operations are regulated under the Electricity Act, 2003. Accordingly, the CERC determines the tariff for the Company's power plant based on the norms prescribed in the tariff regulations as applicable from time to time. Tariff is based on the capital cost incurred for a specific power plant and primarily comprises two components: (i) capacity charge that includes depreciation, return on equity, interest on working capital, operating & maintenance expenses, interest on loan and (ii) energy charge i.e. a variable charge primarily based on fuel costs.The CERC notified the Tariff Regulations, 2019-24 in March 2019. The company has filed petition before the CERC for issuance of Tariff Order for the period 2019-24 and pending issuance of the tariff order, capacity charges are provisionally billed on the basis of capacity charges determined by CERC for 2018-19 vide its order dated 20/03/2023 for the tariff period 2014-19. The said 2014-19 order was issued by the commission in the current year and this order has caused revision in capacity charges of previous years to the tune of ₹ 246.31 Cr Variable charges are billed considering the principles laid out in the Tariff Regulations notified for 2019-24. The amount provisionally billed for the year ended 31st March 2023 is ₹ 5170.45 Crores (₹ 4615.01Crore for Year ended 31.03.2022).

b) Sales have been recognized at ₹ 5147.49 Crores (₹4223.70 Crore for year ended 31.03.2022) on the basis of said regulations.

c) Sales for the year ended 31.03.2023 include ₹ 240.61 Crore (For year ended 31 March 2022 ₹ 7.86 Crore) pertaining to previous years. The impact of revision in capacity charges pertaining to previous years (post issuance of 2014-19 true-up order) is ₹ 246.31 Crore

d) Other operating revenue includes ₹ 0.99 Crore (₹0.81 Crore for year ended 31 March 2022) towards energy internally consumed, valued at variable cost of generation and the corresponding amount is included in power charges in Note 29.

e) Sales for year ended 31 March 2023 has increased as compared to year ended 31 March 2022 mainly due to (i) higher schedule during the year, resulting in higher billing of variable charges and (ii) revision in capacity charges due to issuance of True-up order for the tariff period 2014-19 by CERC.

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26. Other income

₹ Crore

Particulars		For the year ended 31.03.2023	For the year ended 31.03.2022
Interest from:			
Non current Trade Receivable		**85.40**	-
Employees		**0.02**	0.02
Others (bank deposits)		**0.02**	0.03
Other non-operating income:			
Surcharge received from beneficiaries		**534.54**	698.30
Sale of scrap		**11.62**	2.04
Miscellaneous income		**90.70**	2.55
Provisions Written back		**0.10**	-
Proceeds from sale of Inventory	**48.04**		15.40
Less: Cost of inventory sold	**48.04**	**-**	15.40
Total		**722.40**	**702.94**

(a) Miscellaneous income includes recoveries from employees and contractors, Liquidated damages income , Interest on refund to beneficiaries reversed for previous year, usage charges of company's grab unloader by TANGEDCO

(b) Ministry of Power Vide gazette notification dt 03rd June 2022 Electricity (Late payment Surcharge and Related Matters) Rules, 2022 stated through rule 5 regarding Liquidation of arrears. On acceptance/admission of LPSC dues by TANGEDCO vide letter dt 27.06.2022 resulting in cessation of uncertainty of recoverability from TANGEDCO, it has been recognized and accounted in books.

(C) During March 2022, due to critical coal stock situation at Kudgi power station of NTPC Ltd., 43,693.12 MT of NTECL's coal which was lying at Kakinada Port (for onward transportation to NTECL Plant through Ships) was diverted from Kakinada Port to Kudgi Power Station in national interest and the same was billed to them on cost (₹ 15.33 Crore including taxes). As the transaction is not in the ordinary course of business and on cost , the same has been disclosed as net off .

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27. Employee Benefits Expense

₹ Crore

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Salaries and wages	**83.33**	63.12
Contribution to provident and other funds	**11.69**	12.70
Staff welfare expenses	**11.26**	10.14
	106.28	85.96
Less: Allocated to fuel cost	**4.60**	4.86
Less: Transferred to fly ash utilisation reserve fund	**-**	-
Less: Transferred to FGD	**1.90**	0.25
Total	**99.78**	80.85

a) Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits are made in Note 32 "Employee Benefits".

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27a. Fuel

₹ Crore

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Fuel cost	3,329.01	2,525.72
Total	**3,329.01**	**2,525.72**

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28. Finance Costs

₹ Crore

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Finance charges		
i) on financial liabilities measured at amortised cost		
Rupee term loans	**267.57**	305.32
Cash credit	**36.28**	44.61
Front end fees to Financial Institutions	**-**	46.82
Unwinding of discount on vendor liabilities	**4.63**	1.10
Interest under Income tax	**0.21**	5.67
Commitment Charges - Domestic Loans	**0.27**	0.56
Others	**2.57**	-
Sub-Total	**311.53**	404.08
Less:Transferred to expenditure during construction period FGD (net)	**32.33**	11.15
Total	**279.20**	392.93

a. Details in respect of rate of interest on Rupee term loan has been disclosed in Note 16.

b. Others include provision for interest on delayed payment towards coal supply from MCL

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28a. Depreciation and amortization expense

₹ Crore

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
On property, plant and equipment - Note 2	534.87	521.71
On intangible assets - Note 2a	2.64	2.63
	537.51	524.34
Less: Allocated to fuel cost	24.68	23.53
Total	**512.83**	**500.81**

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29. Other expenses

₹ Crore

Particulars		**For the year ended 31.03.2023**	For the year ended 31.03.2022
Power charges	**1.46**		1.25
Less: Recovered from contractors & employees	**0.15**		0.03
		1.31	1.22
Water charges		**0.34**	0.48
Rent	**0.03**		0.04
Less: Recoveries	-		
		0.03	0.04
Repairs & maintenance			
Buildings	**8.76**		11.18
Plant & machinery	**146.94**		139.26
Construction equipment	-		-
Others	**26.48**		37.84
		182.18	188.28
Insurance		**23.96**	22.36
Loss on fair valuation of non current trade receivables at amortised cost		**295.28**	-
Rates and taxes		**4.25**	3.74
Water cess & environment protection cess		**0.62**	0.62
Training & recruitment expenses	**0.06**		0.10
Less: Receipts	-		-
		0.06	0.10
Communication expenses		**1.63**	1.57
Travelling expenses		**4.16**	3.77
Tender expenses	**0.06**		-
Less: Receipt from sale of tenders	**0.01**		-
		0.05	-
Payment to auditors		**0.07**	0.05
Advertisement and publicity		-	0.03
Security expenses		**29.22**	27.03
Entertainment expenses		**1.12**	1.16
Expenses for guest house	**1.23**		1.07
Less: Recoveries	**0.07**		0.13
		1.16	0.94
Brokerage & Commission		**0.08**	0.11
Ash utilisation & marketing expenses		**0.91**	0.08
Directors sitting fee		**0.01**	0.04
Professional charges and consultancy fee		**4.77**	4.36
Books and Periodicals		**0.01**	0.01
Legal expenses		**1.06**	0.62
EDP hire and other charges		**3.10**	2.45
Printing and stationery		**0.07**	0.06
Hiring of vehicles		**2.72**	2.86
Net loss in foreign currency transactions & translations		**1.57**	(0.14)
Bank Charges		**0.39**	0.69
Loss on Sale/Retirement of Fixed Assets		**7.20**	9.83
Furnishing Expenses		**0.03**	0.05
Hire charges of construction equipments		-	0.05
Community development expenses		**13.03**	8.52
Miscellaneous expenses		**1.32**	1.10
		581.71	282.08
Less: Allocated to fuel cost		**29.42**	39.37
Transferred to fly ash utilisation reserve fund		**2.01**	1.06
Transferred to expenditure during construction period (net)		-	
		550.28	241.65
Provisions for			
Others		-	82.71
Tariff Adjustment		**53.99**	41.14
Shortage in stores		**0.06**	0.10
Total		**604.33**	365.60

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29. Other expenses

₹ Crore

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
a) Details in respect of payment to auditors:		
As auditor		
Audit fee	**0.04**	0.04
Tax audit fee	**0.01**	0.01
In other capacity	**0.01**	
Other services (certification fee)	**-**	-
Reimbursement of expenses & service tax	**0.01**	-
Total	**0.07**	**0.05**

b) CERC Regulations provides that where after the truing-up, the tariff recovered is more than the tariff approved by the Commission, the generating Company shall pay to the beneficiaries the over recovered amount along-with simple interest. Accordingly, the provision created for interest payable to the beneficiaries at the time of issue of tariff order after the downward revision in tariff (if any), for the difference of tariff recovered vis-à-vis tariff recognized in accounting amounting to ₹ 53.99 crore (31 March 2022, ₹ 41.14 crore) has been accounted and disclosed as 'Provision for tariff Adjustment.

c) Miscellaneous expenses include expenditure on subscription to trade & other association, Horticulture exps, etc.

d) Provisions - Others include provision for shortage in stores.

e) Electricity (Late payment surcharge and related matters) Rules, 2022 notified on 3 June 2022, provides that the outstanding dues of the beneficiaries including late payment surcharge (LPSC) upto the date of the said notification shall be rescheduled upto a maximum period of 48 months in the manner prescribed in the said rules and no LPSC shall be charged on the outstanding dues from the date of notification subject to application to be made by the beneficiaries in this regard. Pursuant to the above, some of the beneficiaries have applied for redetermination of their payment of dues under these rules. The dues of such beneficiaries have been presented at their fair value under non-current trade receivables considering the requirements of applicable Indian accounting standards.

Consequently the fair value difference amounting to ₹ 295.28 crore has been charged to statement of profit and loss for the year ended 31 March 2023.

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30. Expenditure During Construction Period (net)

₹ Crore

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
A. Employee benefits expense		
Salaries and wages	1.90	0.24
Contribution to provident and other funds	-	-
Staff welfare expenses	-	-
Total (A)	1.90	0.24
B. Finance costs		
Finance charges on financial liabilities measured at amortised cost	-	-
Bonds	-	-
Foreign currency term loans	-	-
Rupee term loans	27.71	10.05
Foreign currency bonds/notes	-	-
Unwinding of discount on vendor liabilities	4.63	1.10
Exchange differences regarded as an adjustment to borrowing costs	-	-
Other borrowing costs	-	-
Management/arrangers fee	-	-
Foreign currency bonds/notes expenses	-	-
Others	-	-
Total (B)	32.34	11.15
C. Depreciation and amortisation	-	-
D. Generation, administration & other expenses		
Power charges	-	-
Less: Recovered from contractors & employees	-	-
	-	-
Water charges		
Rent		
Repairs & maintenance		
Buildings	-	-
Plant and machinery		
Others	-	-
Insurance	-	-
Rates and taxes	-	-
Communication expenses	-	-
Travelling expenses	-	-
Tender expenses	-	-
Advertisement and publicity	-	-
Security expenses	-	-
Entertainment expenses	-	-
Expenses for guest house	-	-
Professional charges and consultancy fee	-	-
Legal expenses	-	-
EDP hire and other charges	-	-
Printing and stationery	-	-
Miscellaneous expenses	-	-
Total (D)	-	-
E. Less: Other income		
Interest from contractors	-	-
Interest others	-	-
Hire charges for equipment	-	-
Sale of scrap	-	-
Miscellaneous income	-	-
Total (E)	-	-
	-	-
Grand total (A+B+C+D-E)	34.24	11.39

* Carried to Capital work-in-progress - (Note 3)

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31.Disclosure as per IND AS 12 "Income Taxes"

(i) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate.

₹ Crore

Particulars	31-03-2023	31-03-2022
Profit before tax (including net movement in regulatory deferral account)	**1,049.14**	1,059.09
Tax using the company's domestic tax rate of 34.944%	**366.61**	370.09
Tax effect of :	-	-
Non-deductible expenses	**(52.45)**	15.53
Minimum alternate tax adjustments	**(114.96)**	(124.64)
Tax expense in the statement of Profit or Loss)	**192.74**	260.98
Tax expense pertaining to Net movement in Regulatory deferral account	-	-
Tax expense pertaining to Ash Fund & Other Comprehensive Income	**6.46**	-
Total Tax Expense	**199.20**	260.98

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32. Disclosure as per Ind AS 19 on 'Employee benefits'

(i) Defined Contribution Plans:

A. Provident Fund

The Company pays fixed contribution to provident fund at predetermined rates to RPFC authorities. The contribution of **₹ 0.10 crore** (31 March 2022: ₹ 0.09 crore) for the year is recognised as expense and is charged to the Statement of Profit and Loss.

B. Pension

The obligation of company to contribute to pension scheme is to the extent of amount not exceeding 8.33% of basic pay (restricted to ₹ 15000/-).The contribution of **₹ 0.01 crore** (31 March 2022: ₹ 0.01 crore) is recognized as expense and charged to statement of profit and loss.

C. In respect of employees of NTPC Ltd on secondment basis to NTECL:

In respect of employees on secondment from parent company i.e. NTPC Limited , an amount of **₹ 8.62 crore** (previous year ₹ 12.26 crore) towards provident fund, pension, gratuity & post retirement medical facilities and **₹ 2.91 crore** (previous year ₹4.83 crore) towards leave & other terminal benefits, are paid/payable to the Parent Company and included under 'Employee benefits expense' (Note - 27).

D. In respect of employee of TANGEDCO on deputation at NTECL :

A sum of **₹ Nil** (Previous Year - ₹ Nil) has been paid to TANGEDCO for No employee (Previous Year No employee) towards Pension Contribution and Leave Salary as per TANGEDCO's terms of Service

(ii) Defined benefit plans:

A. Gratuity

a) 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 ₹ 0.20 crore on superannuation, resignation, termination, disablement or on death. The Company has provided towards gratuity benefit considering the enhanced ceiling. Provision for Gratuity amounting to ₹ 0.01 crore (31 March 2022: ₹ 0.05 crore) for the year have been made on actuarial basis at the year end and debited to the statement of Profit and Loss.

₹ Crore

Particulars	31-Mar-23	31-Mar-22
Net defined benefit (asset)/liability :		
Non-current	**0.36**	0.35
Current	**0.01**	0.01

₹ Crore

Movement in net defined benefit (asset)/liability	Defined benefit obligation	Defined benefit obligation
Particulars	31-Mar-23	31-Mar-22
Opening balance	**0.36**	0.32
Included in profit or loss:		
Current service cost	0.03	0.03
Past service cost	-	-
Interest cost (income)	0.02	0.02
Total amount recognised in profit or loss	**0.05**	0.05
Included in OCI:		
Actuarial loss (gain) arising from:		
Experience adjustment	(0.04)	(0.01)
Total amount recognised in other comprehensive income	**(0.04)**	(0.01)
Other Benefits paid	-	-
Closing balance	**0.37**	0.36

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

Particulars	31-Mar-23	31-Mar-22
Discount rate	**7.40**	7.00
Salary escalation rate	**6.50**	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.

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ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

₹ Crore

Particulars	31-Mar-23		31-Mar-22	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(0.02)	0.02	(0.02)	0.02
Salary escalation rate (0.5% movement)	-	-	-	-

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.
Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the

iii. Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:
Changes in discount rate
A decrease in discount rate will increase plan liabilities.

Expected maturity analysis of the defined benefit plans in future years

₹

Year	Amount
0 to 1 Year	1,02,130
1 to 2 Year	60,686
2 to 3 Year	60,940
3 to 4 Year	61,277
4 to 5 Year	50,403
5 to 6 Year	51,281
6 Year onwards	33,41,083

(iii) Other long term employee benefit plans

A. 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 (EL) 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 300 days. However, total number of leave (i.e. EL & HPL combined) that can be encashed on superannuation shall be restricted to 300 days and no commutation of half-pay leave shall be permissible. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. A provision of **₹ 0.08 Crore** (Previous year ₹0.12 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.

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

a) List of Related parties:

i) Entities having joint control over the company:

1. NTPC Ltd.
2. TANGEDCO

ii) Subsidiaries, joint ventures and associates of entities having joint control over the company:

1.Utility Powertech Limited (UPL)

iii) Key Managerial Personnel (KMP):

Shri Ramesh Babu V	**Designated as Chairman (from 11.05.2020)**
Smt.Mahadevan Maheswari Bai	**Director (from 09.08.2016)**
Shri. A.N.Sahay	Independent Director (from 24.09.2019 to 23.09.2022)
Shri Anandakrishnan Ashok Kumar	Nominee Director (from 03.12.2019 to 10.06.2021))
Shri. Pankaj Kumar Bansal	Nominee Director (from 26.08.2020 to 10.06.2021)
Shri. Rajesh Lakhani	**Director (from 11.06.2021)**
Shri. A K Tripathy	**Director (from 19.01.2021)**
Shri. Ethiraj Rajaram	Director (from 11.06.2021 to 23.08.2022)
Shri. C.V.Anand	Director (from 24.02.2020 to 30.06.2021)
Shri Sandeep Aggarwal	**Director (from 17.12.2021)**
Shri Dharmalingam Rajendran	**Additional Director (from 28.12.2022)**
Shri. Basuraj Goswami	CEO (from 24.09.2019 to 26.08.2021)
Shri. Kedar Ranjan Pandu	CEO (from 21.09.2021 to 06.08.2022)
Shri. Sanjay Kumar Singh	**CEO (from 23.08.2022)**
Shri. Rajiv Srivastav	CFO (from 21.09.2020 to 06.07.2022)
Shri. Amit Garg	**Company Secretary (from 16.03.2017)**

iv) Entities under the control of the same government:

The Company is a Public Sector Undertaking (PSU) in which shares are equally held by i) NTPC Limited (a Central PSU in which Central Government holds a majority stake) and ii) TANGEDCO (an undertaking under the control of Government of Tamilnadu) . Pursuant to Paragraph 25 & 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. The Company has applied the exemption available for government related entities and have made limited disclosures in the financial statements. Such entities with which the Company has significant transactions include but not limited to are as follows :

Central Coalfields Ltd.	Poompuhar Shipping Corporation Limited
Mahanadi Coalfields Ltd.	North Chennai Thermal Power Station
Eastern Coalfields Ltd.	Electricity Department of Government of Puducheriy
Railways	TANGEDCO
Hindustan Petroleum Corporation Limited	Indian Oil Corporation Limited(IOCL)
Bharat Petroleum Corporation Limited	CSIR
Steel Auhority of India.	Power Grid Corporation Of India Ltd
Bharat Heavy Electricals Limited	Instrumentation Limited
Oriental Insurance Company Limited	MSTC LTD
Singareni Collieries Company Limited	

b) Transactions with the related parties are as follows:

₹ Crore

Particulars	**NTPC Limited**		**TANGEDCO**		**UPL**	
	2022-23	2021-22	**2022-23**	2021-22	**2022-23**	2021-22
i) Sales/purchase of goods and services during the year						
- Contracts for works/services received by the Company	**4.87**	4.93	**42.83**	26.14	**26.65**	46.96
- Contracts for works/services provided by the Company	-	-	-	-	-	-
- Sale of Power	-	-	**3762.77**	3629.05	-	-
- Purchase of Power	-	-	**0.45**	0.44	-	-
- Sales of Property and other assets	-	-	-	-	-	-
- Purchase of Property and other assets	-	-	-	-	-	-
- Usage of Coal unloading Facilities (received)	-	-	31.3	26.14	-	-
ii) Deputation of Employees	**11.53**	17.09	-	-	-	-
iii) Equity contributions received	***30.00**	-	-	*30.00	-	-
iii) Dividend paid (gross)	**375.33**	244.19	**375.33**	244.19	-	-

* Share application money received from NTPC & TANGEDCO against Right issue

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₹ Crore

	2022-23	2021-22
Compensation to Key management personnel		
- Short term employee benefits	1.01	1.58
Total Compensation to Key management personnel	1.01	1.58

₹ Crore

Transactions with the related parties under the control of the same government:				
Sl. No.	Name of the Company	Nature of transaction	2022-23	2021-22
1	Central Coalfields Ltd.	Purchase of Coal	9.55	258.51
2	Mahanadi Coalfields Ltd.	Purchase of Coal	1071.82	1543.75
3	Eastern Coalfields Ltd.	Purchase of Coal	68.50	471.12
4	Singareni Collieries Company Limited	Purchase of Coal	157.18	374.85
5	Railways	Freight Payment	512.46	534.23
6	HPCL	Purchase of oil products	23.43	18.31
7	BPCL	Purchase of oil products	22.32	15.26
8	Steel Auhority of India.	Purchase of Steel	8.76	13.15
9	BHEL	Plant and Machinery	1.01	8.62
10	BHEL	Repair and Maintance	46.53	13.88
11	BHEL	Spares Purchase	0.54	8.83
12	ORIENTAL INSURANCE COMPANY LTD.	Insurance Premium	26.93	20.87
13	Poompuhar Shipping Corporation Limited	Hiring of Ships for transport of Coal	340.91	299.65
14	TANGEDCO- North Chennai Thermal Power Station	Usage of Coal unloading Facilities	31.30	26.14
15	Electricity Department of Government of Puducherry	Sale of Power	59.02	56.64
16	Bharath Earth Movers Limited	Purchase of Equipments & services	0.91	0.20
17	IOCL	Purchase of oil products	1.80	1.00
18	Instrumentation Limited	Purchase of Equipments	0.71	0.74
19	MSTC LTD	Commission for Scrap disposal	0.30	0.09
20	CSIR	Coal Sampling	9.35	9.46
21	POWER GRID CORPORATION OF INDIA LTD	Open Access	0.49	0.42

c) Outstanding balances with related parties are as follows:

₹ Crore

Particulars	2022-23	2021-22
Amount recoverable for sale/purchase of goods and services		
- From NTPC Limited	1.52	17.84
- From TANGEDCO	2277.90	2028.62
Amount payable for sale/purchase of goods and services		
- To NTPC Limited	3.33	15.39
- To TANGEDCO	19.83	23.34
- To UPL	1.98	5.44

During September 2022, due to critical coal stock situation at Kudgi power station of NTPC Ltd., 95,044.24 MT of NTECL's coal which was lying at Kakinada Port (for onward transportation to NTECL Plant through Ships) was diverted from Kakinada Port to Kudgi Power Station in national interest and the same was billed to them on cost (₹ 42.04 Crore including tax). As the transaction is not in the ordinary course of business and on cost, the same has been disclosed as net off.

Further, NTECL extended its Agent Services on behalf of NTPC-Kudgi for coal transportation from MCL-Talcher to Ennore Port. On that account, an amount of Rs.48.87 Cr has been invoiced on NTPC-Kudgi. Out of the transaction, an amount of ₹ 8.28 Cr (overhead charges) has been accounted as other recoveries.

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

(1) Transactions with the related parties are made on normal commercial terms and conditions and at market rates.

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

(3) Outstanding balances of NTPC (JV Partner) at the year-end, are unsecured and interest free and settlement occurs through banking transaction.

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

(in '₹)

Basic and diluted earnings per share

	31-Mar-23	31-Mar-22
From operations including regulatory deferral account balances (a)/(d)	4.70	3.91
From regulatory deferral account balances (b)/(d)	1.05	0.23
From operations excluding regulatory deferral account balances (c)/(d)	**3.65**	3.68
Nominal value per share in ₹	**10**	10
No. of Equity shares (Basic)	**2,87,27,92,224**	2,87,27,92,224

(a) Profit attributable to equity shareholders

₹ Crore

	31-Mar-23	31-Mar-22
From operations including regulatory deferral account balances (a)	**1,350.85**	1,124.16
From regulatory deferral account balances (b)	**301.72**	65.07
From operations excluding regulatory deferral account balances (c)=(a)-(b)	**1,049.13**	1,059.09

(b) Weighted average number of equity shares

	31-Mar-23	31-Mar-22
Weighted average number of equity shares for Basic and Diluted EPS (d)	**2,87,27,92,224**	2,87,27,92,224

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35. Disclosure as per Ind AS 108 on 'Segment Report'

Segment Information

Segment information is presented in respect of the company's key operating segments. The operating segments are based on the company's management and internal reporting structure.

Operating Segments

The Company's Board of Directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decision w.r.t. preparation of budget, planning, expansion, alliance, joint venture, merger and acquisition, and expansion of any new facility.

The company is in the business of generation of electricity. Board of Directors reviews the operating results of generation business to make decisions about resources to be allocated and to assess its performance. Accordingly, management has identified generation business as only one operating segment for the Company.

Entity wide disclosures

A. Information about products and services

The Company is in business of generation of electricity.

B. Information about geographical areas

The entire sales of the Company are made to customers which are domiciled in India. Also, all the non-current assets of the Company are located in India.

C. Information about major customers (from external customers)

The Company derives revenues from the following customer which amount to 10 per cent or more of Company's revenues. In respect of the other customers, their individual share is less than 10% of the company's revenues

₹ Crore

Customer	For the year ended 31 March 2023	For the year ended 31 March 2022
TANGEDCO	3,762.77	3,629.05

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36. Contingent liabilities and commitments

1. Contingent liabilities

a. Claims against the company not acknowledged as debts

Claims against the company not acknowledged as debt **₹ 101.11 Crore** (Previous year ₹ 1279.46 crore) is as detailed below.

(i) Capital works

a) A contractor has lodged claims on the company for **₹74.08 Crore** (Previous year ₹ 67.36 crore) seeking Idling charges, escalation, interest and damages towards illegal termination.The case is pending with arbitrator

b) An amount of **₹ 4.37 Crore** (Previous year ₹3.52 Crore) is shown as contingent liability in respect of claim lodged by a contractor in Construction Office & Storage Shed work,seeking additional expenses towards site overhead and compensation for loss of interest and opportunity

c) An amount of **₹ 2.50 Crore** (Previous year ₹ 1.94 Crore) has been shown as contingent liability in respect of claim lodged by a contractor in Desalination plant package, seeking reimbursement of GST

d) An amount of **₹ 0.48 Crore** (Previous year ₹ 0.37 Crore) has been shown as contingent liability in respect of claim lodged by a contractor in Ash Dyke Package, seeking reimbursement of Royalty

e) An amount of **₹ 8.40 Crore** (Previous year ₹ nil) has been shown as contingent liability in respect of claim lodged by a contractor in Fire Detection & Protection System (FDPS) Package , seeking reimbursement of Price Adjustment, Damages for additional cost & Imposition of Liquidated damages.

(ii) Disputed tax matters

a) Service Tax department raised a demand alongwith interest for **₹ Nil** (Previous year ₹ 94.47 Crore) against capacity charges and surcharges billed to beneficiary. The Commissioner of GST and Central Excise vide their order dated 17.03.2023 had dropped further proceedings against the show cause notice.

b) Service Tax department raised a demand of service tax alongwith interest for **₹0.38 Crore** (Previous year ₹0.35Crore) against fee paid to CERC for tariff determination

(iii) Environmental Related Matter

a) Deposit amount of **₹ 8.42 Crore** (Previous year ₹ 8.42 Crore) for Environmental restoration relating to disposal of fly ash in pursuance of NGT order since stayed by Supreme Court till the Committee constituted by MOEF submits its report

(iv) Other Matters-Probable reimbursable contingent liability

a) Sarat Chatterjee & Co (Visakhapatnam) Pvt. Ltd. is a contractor engaged by NTPC Tamilnadu Energy Company Ltd(NTECL) for undertaking the work of Coordination and Supervision of coal loading at Mahanadi Coalfields Ltd (MCL), Eastern Coalfields Ltd (ECL) and Central Coalfields Ltd (CCL), transportation of the same by Railways and delivery at Dhamra and Pradip Ports and also for handling the coal at Pradip Port. As the coal quantity lost during handling was more than the allowed % stipulated in the contract, an amount of ₹4.15 Crore was deducted from the charges payable to the contractor towards cost of coal and freight for the quantity of lost cost over and above the allowed loss. Dispute was raised by the contractor for the deduction and the dispute was referred to the Expert Settlement Council (ESC) as per the provisions of the contract. The ESC recommended that NTECL may retain ₹ 1.65 Crore and refund ₹ 2.48 Crore to the contractor. The said recommendation is under consideration of the company.

b) Contingent liability in respect of bill discounted with bank against trade receivables amount to **₹ Nil** (Previous year ₹ 1100.55 Crore) (Refer Note 7). The bills are discounted on "Recourse to company" basis. In case of any claim on the company from the bank in this regard, entire amount shall be recoverable from the beneficiary alongwith surcharge.

2. Contingent Assets:

CERC (Terms & Conditions of Tariff) Regulations 2019-24 provide for levy of Late Payment Surcharge by generating company in case of delay in payment by beneficiaries beyond 45 days from the date of presentation of bill. However, in view of significant uncertainties in the ultimate collection from one of the beneficiaries, an amount of **₹ Nil** as on 31 March 2023 (31 March 2022 – ₹ 419.54 crore) has not been recognised.

3. Capital Commitments

a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2023 is **₹ 858.41 Crore** (Previous Year ₹ 1130.28 Crore)

b) Company's commitment in respect lease agreements has been disclosed in Note 44

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37. Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings in domestic currency, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables

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

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

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities		
Market risk – foreign currency risk	- Future commercial transactions - Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contractsForeign currency optionsCurrency & interest rate swaps and principal only swaps
Market risk – interest rate risk	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps

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38. Financial Risk Management - Credit Risk

Credit risk

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

Trade receivables

The Company primarily sells electricity to bulk customers comprising, mainly state electrical utilities owned by State Governments. The risk of default in case of power supplied to these state owned companies is considered to be insignificant.The Company has not experienced any significant impairment losses in respect of trade receivables in the past years. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues.The provision matrix takes into account available external and internal credit risk factors such as credit defaults, credit ratings from international credit rating agencies and the Company's historical experience for customers.

Since the Company has its customers within different states of India, geographically there is no concentration of credit risk. However, management considers the factors that may influence the credit risk of its customer base, including the default risk of the industry.

At March 31, 2023, the Company's most significant customer, accounted for ₹ 2258.07 crore of the trade receivables carrying amount (₹ 2028.62 Crore of the trade receivables as at March 31, 2022)

Loans & advances

The company has given loans & advances to its employees. The company manages its credit risk in respect of Loan and advances to employee through hypothecation of assets and settlement of dues against full & final payment to employees.

Cash and cash equivalents and deposits with banks

The company has banking operations with State Bank of India and Union Bank of India, which are scheduled banks and are owned by Government of India.The risk of default with government controlled entities is considered to be insignificant.

(i) Exposure to credit risk

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

₹ Crore

Particulars	31 March 2023	31 March 2022
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current loans	0.24	0.23
Non - current financial assets	-	-
Cash and cash equivalents	264.73	13.72
Current loans	0.06	0.06
Other current financial assets	104.71	26.82
Total	**369.74**	40.83
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)	**31 March 2023**	31 March 2022
Trade receivables including unbilled revenue	1,813.50	1,780.52
	1,813.50	1,780.52

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(ii) Provision for expected credit losses

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses
The company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence, no impairment has been recognised during the reporting periods in respect of such assets

(b) Financial assets for which loss allowance is measured using life time expected credit losses
The company has customers (State government utilities) with strong capacity to meet the obligations and therefore the risk of default is negligible or nil. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. Hence, no impairment loss has been recognised during the reporting periods in respect of trade receivables.

(iii) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

₹ Crore

Ageing as at 31 March 2023	Unbilled *	Not Due	upto 30 days past due	31 to 60 days past due	61 to 90 days past due	91 to 120 days past due	More than 120 days past due	Total
Gross carrying amount	(46.11)	392.79	99.76	102.49	105.25	91.17	1,068.15	1,813.50

₹ Crore

Ageing as at 31 March 2022	Unbilled *	Not Due	upto 30 days past due	31 to 60 days past due	61 to 90 days past due	91 to 120 days past due	More than 120 days past due	Total
Gross carrying amount	(144.28)	443.42	386.81	375.41	227.82	221.28	270.06	1,780.52

*CERC Regulations provides that where after the truing-up, the tariff already 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 company had estimated the capacity charges to be receivable from beneficiaries and an amount of Rs. 569.21 Crore (Rs.(632.95) Crore for year ended 31.03.2022) has been provided towards the differential capacity charges and has been netted & shown against Unbilled dues.

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39. Financial Risk Management - Liquidity Risk

Liquidity risk

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

The Company manages liquidity risk through cash credit limits and undrawn borrowing facilities by continuously monitoring forecast and actual cash flows.

The Company's treasury department is responsible for managing the short term and long term liquidity requirements of the Company.

Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

As part of the CERC regulations, tariff inter alia includes recovery of capital cost. The tariff regulations also provide for recovery of fuel cost, operations and maintenance expenses and interest on normative working capital requirements. Since billing to the customers are generally on a monthly basis, the Company maintains sufficient liquidity to service financial obligations and to meet its operational requirements.

(i) Financing arrangements

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

₹ Crore

Particulars	31 March 2023	31 March 2022
Floating-rate borrowings		
Term loans -FGD	266.22	467.37
Cash Credit	716.04	232.00
Total	**982.26**	**699.37**

(ii) Maturities of financial liabilities

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

31 March 2023 ₹ Crore

Contractual maturities of financial liabilities	Contractual cash flows					
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-current borrowings	127.27	381.81	509.08	1,527.23	1,042.49	3,587.87
Current borrowings	984.88	-	-	-	-	984.88
Trade payables	385.05	-	-	-	-	385.05
Payable for capital expenditure	435.66	-	-	-	-	435.66
Interest accrued on borrowings	5.57	-	-	-	-	5.57
Payable to employees	17.04	-	-	-	-	17.04
Others	52.15	-	-	-	-	58.66
	2,007.62	**381.81**	**509.08**	**1,527.23**	**1,042.49**	**5,474.73**

31 March 2022 ₹ Crore

Contractual maturities of financial liabilities	Contractual cash flows					
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-current borrowings	113.11	343.85	470.53	1,411.60	1,500.07	3,839.16
Current borrowings	506.70	-	-	-	-	506.70
Trade payables	375.77	-	-	-	-	375.77
Payable for capital expenditure	400.51	-	-	-	-	400.51
Interest accrued on borrowings	1.73	-	-	-	-	1.73
Payable to employees	9.07	-	-	-	-	9.07
Others	92.86	6.31	-	-	-	99.17
	1,499.75	**350.16**	**470.53**	**1,411.60**	**1,500.07**	**5,232.11**

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40. Financial Currency Risk Management

Market risk

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

Currency risk

The Company executes import agreements for the purpose of purchase of capital goods. Upto March 31, 2016 the company till the date of commercial operation capitalise the exchange gain/loss on account of re-instatement/actual payment of the vendor liabilities.Such capital cost is allowed by CERC as recovery from beneficiaries. If any exchange gain/loss arise after the date of commercial operation the same will also be recovered from beneficiaries as part of rate regulated asset. From April 01, 2016 exchange gain/loss on long term foreign currency monetary item will be recovered from beneficiaries as a part of rate regulated asset.Hence there is no risk in case of foreign exchange gain/loss on long term foreign currency monetary items.The exposure in case of foreign exchange gain/loss on short term foreign currency monetary items is considered to be insignificant.

The currency profile of financial assets and financial liabilities as at March 31 2023 and March 31 2022 are as below:

₹ Crore

Particulars	31 March 2023		31 March 2022	
	USD	EURO	USD	EURO
Financial liabilities				
Trade and other Payables	**1.33**	**6.26**	1.27	5.91

Sensitivity analysis

As per the CERC regulations, the gain/loss on account of exchange rate variations on all long term and short term foreign currency monetary items (upto COD) is recoverable from beneficiaries. Hence the impact of strengthening or weakening of Indian rupee against USD and EURO on the statement of Profit & Loss i.e. sensitivity analysis for currency risk is disclosed below.

₹ Crore

10% movement	Profit and loss*	
	Strengthening	Weakening
31 March 2023		
USD1	**(0.13)**	**0.13**
EUR1	**(0.63)**	**0.63**
Total	**(0.76)**	**0.76**

₹

10% movement	Profit and loss*	
	Strengthening	Weakening
31 March 2022		
USD1	(0.13)	0.13
EUR1	(0.59)	0.59
Total	(0.72)	0.72

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41. Financial Risk Management - Interest Rate Risk

Interest rate risk

The Company is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. However, the actual interest incurred on normative loan is recoverable from beneficiary as fixed charge as per CERC Regulations.

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

₹ Crore

Particulars	31 March 2023	31 March 2022
Financial assets		
Fixed-rate instruments		
Employee Loans	0.24	0.23
	0.24	0.23
Financial liabilities		
Variable-rate instruments		
Rupee term loans	3,587.87	3,839.16
	3,587.87	3,839.16

Fair value sensitivity analysis for fixed-rate instruments

The company's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Cash flow sensitivity analysis for variable-rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for the previous year.

₹ Crores

	Profit or loss	
	100 bp increase	100 bp decrease
31 March 2023		
Rupee term loans	(37.82)	37.82
	(37.82)	**37.82**
31 March 2022		
Rupee term loans	(40.31)	40.31
	(40.31)	40.31

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Regd. Office: Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003
CIN: U40108DL2003PLC120487

42. Capital Management

The Company's objectives when managing capital are to:

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

The Board of Directors monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to equity shareholders.

The Company monitors capital based on capex incurred and maintain the debt equity ratio of 70:30. The Company is not subject to externally imposed capital requirements.

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

₹ Crore

	31 March 2023	31 March 2022
Total liabilities	4,572.75	4,345.86
Less : Cash and cash equivalent	264.73	13.72
Net debt	**4,308.02**	4,332.14
Total equity	**3,903.12**	3,746.70
Net debt to equity ratio	**1.10**	1.16

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43. Disclosure as per Ind AS 114 on 'Regulatory deferral accounts'

(i) Nature of rate regulated activities

The Company is mainly engaged in generation and sale of electricity. The price to be charged by the Company for electricity sold to its customers is determined by the CERC through tariff regulations. The tariff is based on allowable costs like interest, depreciation, operation & maintenance expenses, etc. with a stipulated return.
This form of rate regulation is known as cost-of-service regulations which provide the Company to recover its costs of providing the goods or services plus a fair return.

Considering the above, the Company is eligible to apply Indian Accounting Standard (Ind AS) 114, Regulatory Deferral Accounts. The standard permits an eligible entity to continue previous GAAP (Guidance Note on accounting for Rate Regulated Activities) accounting policy for its regulatory deferral account balances .

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

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

(ii) Risks associated with future recovery of rate regulated assets:
(i) demand risk (for example, changes in consumer attitudes, the availability of alternative sources of supply or the level of competition);
(ii) regulatory risk (for example, the submission or approval of a rate-setting application or the entity's assessment of the expected future regulatory actions)
(iii) other risks (for example, currency or other market risks).

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

₹ crore

Particulars	31 March 2023	31 March 2022
A. Opening balance	**187.78**	122.71
B. Addition during the year	-	-
C. Amount collected/refunded during the year	-	-
D. Deferred tax	**301.72**	65.07
E. Regulatory income/(expense) recognized in the Statement of Profit & Loss (B-C)	-	-
F. Closing balance (A+D+E)	**489.50**	187.78
Tax on Regulatory Income at E above	-	-

43A. Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act. 2013, read with guidelines issued by the Department of Public Enterprises, GOI, the Company is required to spend, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years. The details of CSR expenses for the year are as follows:

₹ crore

Particulars	31 March 2023	31 March 2022
A. Amount required to be spent during the year		
(i) Gross amount (2% of average net profit as per Section 135 of Companies Act,2013)	**12.91**	6.87
(ii) Surplus arising out of CSR projects	-	-
(iii) Set off available from previous year	-	-
(iv) Total CSR obligation for the year [(i)+(ii) -(iii)]	**12.91**	6.87
B. Amount approved by the Board to be spent during the year	**12.91**	6.87
C. Amount spent during the year		
a) Construction/acquisition of any asset	**8.85**	5.59
b) On purposes other than a) above*	**4.18**	0.72
Total	**13.03**	6.31
D. Set off available for succeeding years	**(0.12)**	-
E. Amount unspent during the year	-	0.56
F. Total of previous years shortfall	-	1.65

i) Movement in CSR liability

₹ crore

Particulars	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Opening Balance CSR Liability (a)	0.56	**0.91**
Paid / adjusted during the year (b)	0.06	**0.91**
Yet to be paid as per C (c)	-	0.56
Unspent balance as at the year end (d=a-b+c)	0.50	0.56

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ii) Amount spent during the year ended 31 March 2023

₹ crore

Particulars	In cash	Yet to be paid in cash	Total
a) Construction/acquisition of any asset	8.85	-	8.85
b) On purposes other than a) above	4.18	-	4.18

Amount spent during the year ended 31 March 2022

₹ crore

Particulars	In cash	Yet to be paid in cash	Total
a) Construction/acquisition of any asset	5.59	-	5.59
b) On purposes other than a) above	0.72	-	0.72

iii) Details of unspent amount as per section 135(5)

For year ended 31 March 2023 ₹ crore

In case of S. 135(5) unspent amount				
Opening balance as on 01 April 2022	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount Required to Be spent During the year	Amount spent during the year	Closing Balance as on 31 March 2023
1.65	1.65	-	-	-

₹ crore

In case of S. 135(5) Excess amount spent			
Opening balance as on 01 April 2022	Amount Required to Be spent During the year	Amount spent during the year	Closing Balance as on 31 March 2023
-	12.91	13.03	(0.12)

For year ended 31 March 2022 ₹ crore

Opening balance as on 01 April 2021	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount Required to Be spent During the year	Amount spent during the year	Closing Balance as on 31 March 2022
2.56	0.91	6.87	6.31	2.21

iv) Details of ongoing projects under Section 135 (6) of Companies act, 2013

For year ended 31 March 2023 ₹ crore

In case of Section 135(6) (ongoing project)							
	Opening Balance			Amount spent during the year		Closing balance	
Period	With Company	In Separate CSR unspent A/c	Amount required to be spent during the year	From Company's bank A/c	From Separate CSR unspent A/c	With Company	In separate CSR unspent A/c
2022-23	-	**0.56**	**12.88**	**12.88**	**0.06**	-	**0.50**
2021-22	-	-	**56.90**	**56.34**	-	-	**0.56**

v) Break-up of the CSR expenses (spent) under major heads is as under:

₹ crore

Particulars	**As at 31 March 2023**	As at 31 March 2022
1. Empowerment of women and other economically backward classes	**1.62**	-
2. Eradicating hunger and poverty, Healthcare and sanitation	**0.46**	0.44
3. Education and skill development	**2.08**	0.15
4. Environment Sustainability	**3.15**	-
5. Sports	**0.30**	-
6. Rural Development	**5.41**	5.44
7. Disaster management including relief, rehabilitations and reconstruction activities	**0.01**	0.22
8. Others	-	0.06
Total	**13.03**	**6.31**

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44. Other Notes

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

B. 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.

C. a) Some of the balances of 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.

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.

D. Disclosure as per Ind AS 21 on 'The 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) adjusted to the carrying amount of Fixed Assets is **₹ Nil** and (previous year (-) ₹ 0.05 crore).

ii) The amount of exchange differences (net) debited to the statement of profit & loss is **₹ 1.58 crore** (previous year credit of ₹ (0.23) crore)

E. Disclosure as per Ind AS 23 on 'Borrowing Costs'

Borrowing costs capitalised during the year are **₹ 32.33 crore** (previous year ₹ 11.15 crore).

F. Disclosure as per Ind AS 116 on 'Leases'

Operating Lease

i Leases as lessee

Expenses on operating leases of the premises for residential use of employees amounting to ₹ Nil (previous year ₹ Nil) are included in Note No.27 - Employee Benefits expense

G. Disclosure as per Ind AS 36 on Impairment of Assets

As required by IND AS 36 on 'Impairment of Assets', the Company has carried out study of external and internal indicators. Based on such assessment there are no signs of impairment.

H. Disclosure as per Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

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Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty—that is, the accounting policy may require such items to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. The Company does not expect this amendment to have any significant impact in its financial statements.

The Company will evaluate the requirements of the above amendments and the effect on the financial statements.

I. Disclosure as per Ind AS 1 ' Presentation of financial statements'

A) Changes in significant accounting policies:

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

B) Reclassifications and comparative figures

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

As a result, certain line items have been reclassified in the Statement of Cash Flows, the details of which are as under:

b) Items of statement of cash flows before and after reclassification

₹ Lakh

	Particulars	Before reclassification	reclassification	After reclassification
	CASH FLOW FROM OPERATING ACTIVITIES	1,585.59	(698.31)	887.28
	CASH FLOW FROM INVESTING ACTIVITIES	(238.55)	698.31	459.76

J. Information in respect of Micro, Small and Medium Enterprises as at 31st March 2023 as required by Micro, Small and Medium Enterprises Development Act, 2006

₹ Crore

Particulars	Current year	Previous year
a) Amount remaining unpaid to any supplier:		
Principal Amount	**2.10**	2.55
Interest due thereon	-	-
b) Amount of interest paid in terms of section 16 of the MSMED Act alongwith 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 un paid	-	-
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 small enterprises, for the purpose of disallowances as a deductible expenditure under section 23 of MSMED Act	-	-

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Note 45 : Additional Regulatory Information

i) Title deeds of Immovable Properties not held in name of the Company as at 31 March 2023

₹ in crore

Item category Balance sheet	Description of Item of Property	Gross Carrying Value	Title Deeds Held in the name of	Whether title deed holder is a promoter, director or relative# of promoter* /director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Freehold land (75 acres)	₹ 30.21	Office of Deputy Salt Commissioner Govt of India under DIPP (MOC & I)	NO	19-Nov-13	Rate Finalization of Land is under process by DIPP(MOC & I)
Property, plant and equipment	Leasehold Land (45 acres) - township	₹ 24.21	TANGEDCO	PROMOTER	08-May-08	Format of the lease agreement between NTECL & TANGEDCO being finalized. Immediately afterwards, it will be registered with O/O Registrar , Tiruvottiyur
Property, plant and equipment	Leasehold Land (17.8 acres) Land occupied for permanent structuresat NCTPS				08-May-08	

Title deeds of Immovable Properties not held in name of the Company as at 31 March 2022

₹ in crore

Item category Balance sheet	Description of Item of Property	Gross Carrying Value	Title Deeds Held in the name of	Whether title deed holder is a promoter, director or relative# of promoter* /director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Freehold land (75 acres)	₹ 28.06	Office of Deputy Salt Commissioner Govt of India under DIPP (MOC & I)	NO	19-Nov-13	Rate Finalization of Land is under process by DIPP(MOC & I)
Property, plant and equipment	Leasehold Land (45 acres) - township	₹ 24.21	TANGEDCO	PROMOTER	08-May-08	Due to frequent transfer of officials of TANGEDCO & prevailing COVID-19 situation, the lease agreement is still to be finalized
Property, plant and equipment	Leasehold Land (17.8 acres) Land occupied for permanent structuresat NCTPS				08-May-08	

ii) The company does not hold any Invetsment Property in its books of accounts, so fair valuation of investment property is not applicable.

iii) During the year the company has not revalued any of its Property,plant and equipment

iv)During the year, the company has not revalued any of its Intangible assets

v) The company has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.

vi) (a) Capital-Work-in Progress (CWIP) - Ageing Schedule as at 31 March 2023

₹ in crores

Capital-Work-in Progress (CWIP)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	**493.17**	**260.37**	**86.32**	**5.04**	**844.90**
Projects temporarily suspended	-	-	-	-	-

Capital-Work-in Progress (CWIP) - Ageing Schedule as at 31 March 2022

₹ in crores

Capital-Work-in Progress (CWIP)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	337.65	87.50	2.63	41.41	469.19
Projects temporarily suspended					-

vi) (b) Capital-Work-in Progress (CWIP) - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31 March 2023

₹ in crores

Capital-Work-in Progress (CWIP)	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Plant Building	**7.39**	-	-	-	**7.39**
Burner Modification	**788.13**	-	-	-	**788.13**
Ultrafiltration package	**16.04**	-	-	-	**16.04**
Others	**0.73**	-	-	-	**0.73**
Total	**812.29**	-	-	-	**812.29**

Capital-Work-in Progress (CWIP) - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31 March 2022

₹ in crores

Capital-Work-in Progress (CWIP)	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Plant Building	43.73	-	-	-	43.73
Burner Modification	6.59	-	-	-	6.59
Ultrafiltration package	11.66	-	-	-	11.66
Others	6.03	-	-	-	6.03
Total	68.01	-	-	-	68.01

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vii) (a) Intangible assets under development - Ageing Schedule as at 31 March 2023

₹ in crore

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development - Ageing Schedule as at 31 March 2022

₹ in crore

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

vii) (b) Intangible assets under development - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31 March 2023

₹ in crore

Intangible assets under development	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Upto 31 March 2024	1 April 2024 to 31 March 2025	1 April 2025 to 31 March 2026	Beyond 1 April 2026	
	-	-	-	-	-
	-	-	-	-	-

Intangible assets under development - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31 March 2022

₹ in crore

Intangible assets under development	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Upto 31 March 2023	1 April 2023 to 31 March 2024	1 April 2024 to 31 March 2025	Beyond 1 April 2025	
	-	-	-	-	-
	-	-	-	-	-

viii) No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act,1988.
ix) The quarterly returns / statement of current assets filed by the company with banks / financial institutions are in agreement with the books of accounts.
x) The company has not been declared as a wilful defaulter by any bank or financial institution or any other lender.

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Note 45 : Additional Regulatory Information

xi) Relationship with Struck off Companies

₹ in crore

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at 31 March 2023	Balance outstanding as at 31 March 2022	Relationship with the struck off company	CIN Details
DALAI ELECTRICALS PVT. LTD.	Payables	0.01	0.01	Non related party- only business relationship	U51505OR2013PTC016889
CHANDY ENGINEERING PRIVATE LIMITED	Payables	0.02	0.05		U74900TN2015PTC101481
A.J. CONCARE(CHENNAI)PVT. LTD.	Payables	-	-		U45206TN2011PTC082342
HITECH SYSTEMS & SERVICES LTD.	Payables	-	0.02		U52334OR1994PTC003529
AXIS INFO SYSTEMS SOLUTION PVT. LTD.,	Payables	0.01	0.01		U72200TN2008PTC066022
LEMOORIA CONSULTANTS	Payables	-	-		U40106TN2013PTC093249
DSA ENTERPRISES	Payables	0.04	0.04		U74900UP2010PTC042833
SILICON DIGITAL SYSTEM PRIVATE LIMITED	Payables	-	-		U52334TN2008PTC067278

xii) The company has no cases of any charges or satisfaction yet to be registered with ROC beyond the statutory time limits.

xiii) The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the company as per Section 2(45) of the Companies Act,2013.

xiv) Disclosure of Ratios

Ratio	Numerator	Denominator	FY 2022-23	FY 2021-22	% Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	0.81	1.30	(37.69)	Decrease in current assets due to transfer of part receivables to long term Trade receivables based on MOP scheme coupled with increase in current liabilities due to higher utilization of cash credit limit

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Debt-equity ratio	Paid-up debt capital (Long term borrowings+Short term borrowings)	Shareholder's Equity (Total Equity)	1.17	1.16	0.86	
Debt service coverage ratio	Profit for the year+Finance costs+ Depreciation and amortiation expenses+Exceptional items	Finance Costs + lease payments+Scheduled principal repayments of long term borrowings	2.08	2.00	4.00	
Return on equity ratio	Profit for the year	Average Shareholder's Equity	0.22	0.22	-	
Inventory turnover ratio	Revenue from operations	Average Inventory	10.73	10.09	6.34	
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	2.87	2.39	20.08	Higher profit marked by increase in Revenue from operations after upward revision of 14-19 tariff by CERC vide order dated 20/03/2023 partly offsetted by with lower average trade receivables
Trade payables turnover ratio	Total Purchases (Fuel Cost + Other Expenses+Closing Inventory-Opening Inventory)	Closing Trade Payables	10.09	8.01	25.97	Increase due to higher coal quantity supplied by coal companies during the year coupled with increase in other expenses

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Net capital turnover ratio	Revenue from operations	Working Capital+current maturities of long term borrowings	140.39	4.11	3,315.82	Increase due to higher revenue from operation after upward revision of 14-19 tariff by CERC vide order dated 20/03/2023 coupled with lower net working capital during the year (owing to reduction in current Trade Receivables and increase in cash credit utilisation)
Net profit ratio	Profit for the year	Revenue from operations	0.16	0.19	(15.79)	Decrease due to increase in Revenue from operations after upward revision of 14-19 tariff by CERC vide order dated 20/03/2023 coupled with decrease in profit for the year (due to increase in expenses)
Return on capital employed	Earning before interest and taxes	Capital Employed(i)	0.15	0.18	(16.67)	Decrease is mainly due to decrease in EBIT (due to higher employee cost and other expenses) coupled with increase in Capital employed

(i) Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liabilities

xv) No scheme of Arrangements has been approved by competent authority in terms of sections 230 to 237 of the Companies Act,2013 in respect of the Company.

xvi) The company has not provided nor taken any loan or advance to/from any other person or entity with the understanding that benefit of the transaction will go to a third party, the ultimate beneficiary.

xvii) The Company records all the transaction in the books of accounts properly and has no undisclosed income during the year or in previous years in the tax assessments under the Income Tax Act, 1961.

xviii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

For S.P. Associates
Chartered Accountants
FRN : 005506S

(A B Karthikeyan)
Partner
No.029518

For and on behalf of the Board of Directors

(Amit Garg)
Company Secretary

(M.Maheswari Bai)
Director
DIN 07160357

(Ramesh Babu V)
Chairman
DIN 08736805

(A K Chattopadhyay)
CEO

(V Meenakshi Sundaram)
HOD(F)

Place : Chennai
Dated : 17.05.2023

S.P. ASSOCIATES Chennai F.No. 005506S Chartered Accountants

S.P. ASSOCIATES
Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To

The Members of NTPC Tamilnadu Energy Company Limited

Report on the Separate Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of NTPC Tamilnadu Energy Company Limited ("the Company"), which comprise the Balance Sheet as at 31 March, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid separate Ind AS financial statements give the information required by the Companies Act, 2013, as amended in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31 March, 2023, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis of opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the Separate Ind AS Financial Statements and our Auditor's Report thereon.

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

In connection with our audit of the Separate Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Separate Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be

S.P. ASSOCIATES Chennai FRN 005505S Chartered Accountants

BRANCH OFFICES :
* Flat # 102, Friends Square Apartments, 1st Main, Prasanthi Nagar, Kithgunar Main Road, Bengaluru, Karnataka – 560 036.
* Ricemill complex, Rathinaswamy Nagar, 8th Street, Thanjavur, Tamilnadu – 613 206.
* 59, Santhikooda Street, Virudhunagar, Tamilnadu – 626 001 * B-128, PIPDIC Industrial Estate, Mettupalayam, Puducherry – 605 001.
* F 4, Rams VSR Apartment, Vijayawada, Andhra Pradesh – 520 010. *E 14 B, Sector 8, Noida, New Delhi, Delhi – 201 301.

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

Responsibilities of Management and those charged with Governance for the Separate Ind AS 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 separate Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 separate Ind AS financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the separate Ind AS financial statements, the Board of directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable matters relating to going concern and using the going concern basis of accounting.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility

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

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

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

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of

S.P. ASSOCIATES Chennai F.R.N. 005506S Chartered Accountants the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidences obtained, whether a material uncertainty exists related to events or condition that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences obtained up to the date of our auditor's report. However, future events or condition may cause the company to cease to continue as a going concern.

Evaluate the overall presentation, structure, and content of the Financial Statements, including the disclosures, and whether the financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Separate Ind AS Financial Statements for the financial year ended March 31, 2023, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Our responsibility is to express an opinion on these Separate Ind AS Financial Statement based on our audit.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government 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 paragraphs 3 and 4 of the said Order.

2. As per the direction issued by C&AG of India u/s 143(5) of the Companies Act,2013 we report that:
   Based on verification of records of the company, based on information and explanations given to us, we give here below a report on the Directions & sub-directions issued by C&AG of India

S.P. ASSOCIATES Chennai F.No. 005069S Chartered Accountants

S.P. ASSOCIATES
Chartered Accountants

Sl No.	Directions u/s 143(5) of the Companies Act, 2013	Auditor's reply on action taken on the directions	Impact on the Financial Statement
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The company has used SAP as its accounting software during the year.	NIL
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?	Based on the audit procedures carried out and as per the information and explanations given to us, there was no restructuring of existing loans or cases of waiver/write off of debts/ loans/ interest etc.	NIL
3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	No fund has been received or receivable from Central/State agencies during the period of Audit.	NIL

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 (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid separate Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

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

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2".

(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, as

S.P. ASSOCIATES Chennai F.No. 005069S Chartered Accountants

amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements. Refer Note 36 to the Financial Statements.

ii. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. However, the Company does not have any derivative contracts.

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

iv. (a) The company has not advanced or loaned or invested any funds (which are material either individually or in the aggregate) either from borrowed funds or share premium or any other sources or kind of funds to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The company has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The dividend declared and paid by the company is in compliance with section 123 of the Companies Act, 2013

For **S.P. Associates**
Chartered Accountants
FRN –005506S

A.B. KARTHIKEYAN
Partner
M. No. 029518

S.P. ASSOCIATES Chennai F.No. 005506S Chartered Accountants

Place: Chennai
Date: 17/05/2023
UDIN: 23029518BGTEIU5452

S.P. ASSOCIATES
Chartered Accountants

ANNEXURE 1 TO THE INDEPENDENTAUDITORS' REPORT

Annexure referred to in our report of even date to the members of NTPC TAMILNADU ENERGY COMPANY LIMITED on the accounts for the year ended 31st March 2023

(i) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant & Equipment) and Intangible Assets.

(b) The fixed assets have been physically verified by the management according to a regular program of verification so to cover all 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.

(c) The Company is having clear title of entire land except as

Description of Property	Gross Carrying Value (Rs. In Crores)	Title Deeds Held in the name of	Whether title deed holder is a promoter, director or relative# of promoter* /director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Freehold land (75 acres)	Rs. 30.21	Office of Deputy Salt Commissioner Govt of India under DIPP (MOC & I)	NO	19-Nov-13	Rate Finalization of Land is under process by DIPP (MOC & I)
Leasehold Land (45 acres) - township Leasehold Land (17.8 acres) Land occupied for permanent structures at NCTPS	Rs. 24.21	TANGEDCO	PROMOTER	8-May-08	Format of the lease agreement between NTECL & TANGEDCO being finalized. Immediately afterwards, it will be registered with O/O Registrar, Thiruvottiyur

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year.

(e) In our opinion and according to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under

(ii) (a) The inventory has been physically verified by the management at reasonable intervals and company is maintaining proper records of inventory. Material discrepancies noticed on physical verification have been properly dealt with in the books of accounts and no discrepancies of 10% or more in any class of inventory were noticed.

(b) The company has not been sanctioned working capital limit in excess of 5 crore rupees, in aggregate from banks or financial institution on the basis of security of current asset during any point of time of the year.

(iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to any companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

In view of the above, the sub clause a,b,c,d,e & f of clause (iii) para 3 of the Order are not applicable.

(iv) The Company has not advanced any loans, given any guarantees or provided any security, to any of its Directors or to any other person in whom the Director is interested as envisaged under Section 185 of the Act, or made any investment during the year as envisaged under Section 186 of the Act.

In view of the above, clause 3(iv) of the order is not applicable.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits under Section 73 to 76 and under any relevant provision of the Act from the pubic during the year. Hence the provision of clause (v) of the order is not applicable to the company.

(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 Act 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 a detailed examination of the records with a view to determine whether they are accurate and complete.

S.P. ASSOCIATES Chennai F.No. 005505S Chartered Accountants

S.P. ASSOCIATES
Chartered Accountants

(vii) a) According to the records of the company and information and explanation given to us, the company has been regularly depositing with the appropriate authorities the undisputed statutory dues including Provident Fund, Income Tax, Customs Duty, Goods & Service Tax and other applicable statutory dues.

According to the information and explanations given to us, as on Balance Sheet date, the company has no undisputed liability in respect of Sales Tax, Income Tax, Custom Duty and Excise Duty and other statutory dues (as applicable) outstanding for a period of more than six months from the date they become payable.

(b) There are no pending dues as at year end except ₹0.19 crore disputed & pending on account of Service Tax for the period from 2016 to 30 Jun 2017 (details given in note 36, below)

Sl. No.	Name of the Statute	Nature of the disputed statutory dues	Period to which amount relates (AY)	Forum where the dispute is pending	Gross Disputed Amount (₹)	Amount Deposited under Protest / adjusted by tax authorities (₹)	Amount not deposited. (₹)
1	Income Tax Act	Income Tax demand	2013-14	Asst. Commissioner of Income Tax, New Delhi	83,88,180	83,88,180	-
2	Service Tax Act *	Service Tax Demand	FY 2016-17	Central Excise & CGST Audit I Commissionerate, Chennai	10,35,000	77,626	9,57,374
3	Service Tax Act *	Service Tax Demand	FY 2017-18 (Upto Jun2017)	Central Excise & CGST Audit I Commissionerate, Chennai	9,90,216	74,266	9,15,950
				Total: -	104,13,396	85,40,072	18,73,324

Note * 1. Assistant Commissioner after hearing heard confirmed the demand of Rs.20,25,216/- on 22.11.2021.

2. NTECL went on appeal with Commissioner (Appeals), who has also rejected the appeal and confirmed the demand on 18.01.2023 intimated to NTECL on 15.03.2023.

3. Now, NTECL goes on further appeal with CESTAT.

S.P. ASSOCIATES Chennai F.N. 005506S Chartered Accountants

(viii) In our opinion and according to the information and explanations given to us, the Company has not surrendered or disclosed as income, any transaction not recorded in the books of account, during the year in the tax assessments under the Income Tax Act, 1961.

(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or other lender

(c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer. According to the information and explanations given to us, the money raised by the Company by way of term loans have been applied for the purpose for which they were obtained.

(b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

(xi) (a) According to the information and explanations given to us and during the course of our examination of the Books and Records of the Company in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the company or its officers

S.P. ASSOCIATES Chennai F.R. 005506S Chartered Accountants

S.P. ASSOCIATES
Chartered Accountants

or employees, noticed or reported during the year, nor we have been informed of such case by the management.

(b) We have not submitted any report under sub section (12) of section 143 of the Companies Act, 2013 in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

(xii) The Company is not a Nidhi Company. Therefore, the Provisions of Clause 3(xii) (a), 3(xii) (b) and 3(xii) (c) of the Order are not applicable to the Company.

(xiii) The Company has complied with the provisions of Section 177 and 188 of the Act, with respect to transactions with the related parties, wherever applicable. Details of the transactions with the related parties have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

(xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the reports of the Internal Auditors for the period under audit.

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

(xvi) (a) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 hence this clause is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, provision of clause (xvi) (b) is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, provision of clause (xvi) (c) is not applicable to the Company.

(d) In view of the answer to clause (xvi) (c) above, provision of clause (xvi) (d) is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

S.P. ASSOCIATES Chennai F.No. 005503S Chartered Accountants

(xviii) There has been no resignation of the statutory auditors during the year and hence this clause is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of section 135 of the said Act.

(b) In respect of ongoing projects, the Company has no unspent amounts towards Corporate Social responsibility (CSR) in compliance with provision of section 135 (6) of the said Act.

(xxi) The report is on the stand-alone financial statements of the company, consequently clause (xxi) of para 3 of the order is not applicable.

For **S.P. Associates**
Chartered Accountants
FRN –005506S

A.B. KARTHIKEYAN
Partner
M. No. 029518

S.P. ASSOCIATES Chennai F.No. 005506S Chartered Accountants

Place: Chennai
Date: 17/05/2023
UDIN: 23029518BGTEIU5452

S.P. ASSOCIATES
Chartered Accountants

ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT

Annexure referred to in our report of even date to the members of NTPC TAMILNADU ENERGY COMPANY LIMITED on the accounts for the year ended 31st March 2023

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

We have audited the internal financial controls with reference to financial statements of NTPC Tamil Nadu Energy Company Limited ("the Company") as of 31st March 2023 in conjunction with our audit of the Separate IND AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

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

S.P. ASSOCIATES Chennai FRN 005006S Chartered Accountants

S.P. ASSOCIATES
Chartered Accountants

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2023, based on the internal controls over financial reporting criteria established by the Company considering the components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For **S.P. Associates**
Chartered Accountants
FRN –005506S

S.P. ASSOCIATES Chennai F.No. 005506S Chartered Accountants

A.B. KARTHIKEYAN
Partner
M. No. 029518

Place: Chennai
Date: 17/05/2023
UDIN: 23029518BGTEIU5452

भारतीय लेखा तथा लेखापरीक्षा विभाग
प्रधान निदेशक वाणिज्यिक लेखापरीक्षा का कार्यालय, चेन्नै

Indian Audit and Accounts Department
Office of the Principal Director of Commercial Audit, Chennai

सत्यमेव जयते

No: PDCA/CA-I/NTECL/4-519/2023-24/218 **Date: 04.07.2023**

To

The Managing Director,
NTPC Tamil Nadu Energy Company Limited,
Vallur Thermal Power Project,
NCTPS (PO) Tiruvallur District,
Chennai - 600120.

Sir,

Sub: Comments of the Comptroller and Auditor General of India under Section 143(6) (b) of the Companies Act, 2013 on the Financial Statements NTPC Tamil Nadu Energy Company Limited for the year ended 31 March 2023

***

I forward herewith the 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 Tamil Nadu Energy Company Limited, for the year ended 31 March 2023. Further five (5) copies of the Printed Annual Report (2022-23) may kindly be furnished to this office. The date of holding of Annual General Meeting may also be intimated.

Receipt of this letter may kindly be acknowledged.

Yours faithfully,

S. Velliangiri
(S. Velliangiri) 4.7.23
Principal Director of Commercial Audit

Encl: As stated.

COMMENT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NTPC TAMIL NADU ENERGY COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2023

The preparation of financial statements of NTPC Tamil Nadu Energy Company Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory 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 on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 17.05.2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of NTPC Tamil Nadu Energy Company Limited for the year ended 31 March 2023 under Section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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

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

S. Velliangiri

(S. Velliangiri)
Principal Director of Commercial Audit

Place: Chennai
Date: 04 July 2023

NTPC Tamil Nadu Energy Company Limited
CIN: U40108DL2003PLC120487
Regd. Office: NTPC Bhawan, Core-7, SCOPE Complex, 7 Institutional Area, Lodhi Road,
New Delhi-110 003
Tel. no.: 011-24387789 Fax: 011-24360241
Email: amit1106.acs@gmail.com; Website: www.ntpcntecljv.co.in

ATTENDANCE SLIP

20TH ANNUAL GENERAL MEETING TO BE HELD ON 29th SEPTEMBER , 2023 at 3.30 P.M

NAME OF THE ATTENDING MEMEBR (IN BLOCK LETTERS)	
*Folio No.	
DP ID No.	
Client ID No.	
No. of shares Held	
NAME OF PROXY (IN BLOCK LETTERS, TO BE FILLED IF THE PROXY ATTENDS INSTEAD OF THE MEMBER)	

I, hereby record my presence at 20th Annual General Meeting of the Company held on 29th September, 2023 at 3.30 P.M at NTPC Bhawan, Core-7, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003.

Signature of Member/ Proxy

*Applicable in case of shares held in Physical Form.

NOTES:

1. **Only Shareholder(s) present in person or through registered proxy shall be entertained.**
2. **No gifts or coupons will be distributed at the Annual General Meeting.**

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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:		
	Address:		
	E-mail Id:		
		Signature:	
Or failing him			
2.	Name:		
	Address:		
	E-mail Id:		
		Signature:	
Or failing him			
3.	Name:		
	Address:		
	E-mail Id:		
		Signature:	

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 19th September, 2023 at 3:30 P.M at NTPC Bhawan, Core-7, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	For	Against
Ordinary Business			
1.	To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March 2023, the reports of the Board of Directors and Auditors thereon.		
2.	To appoint a Director in place of Mr. Sandeep Aggarwal (DIN: 08553176), who retires by rotation and being eligible, offers himself for re-appointment		
3.	To fix the remuneration of the Statutory Auditors for the financial year 2023-24		
4.	To confirm payment of interim dividend for the financial year 2022-23		
Special Business			
5.	To ratify the remuneration of the Cost Auditors for the financial year 2022-23 and authorizing Board to fix remuneration of Cost Auditors for the financial year 2023-24		
6.	To appoint Shri Dharmalingam Rajendran (DIN: 09827294), as Director of the Company		
7.	To appoint Shri Sivakumar Chilakapati (DIN: 10097385), as Director of the Company		
8.	To Approve the increase of authorized share capital of the Company from Rs. 30,00,00,00,000 to Rs. 35,00,00,00,000 and to Alter the Memorandum and Article of Association		

Signed this…… day of……… 2023

Affix Revenue Stamp of Rs.1/-

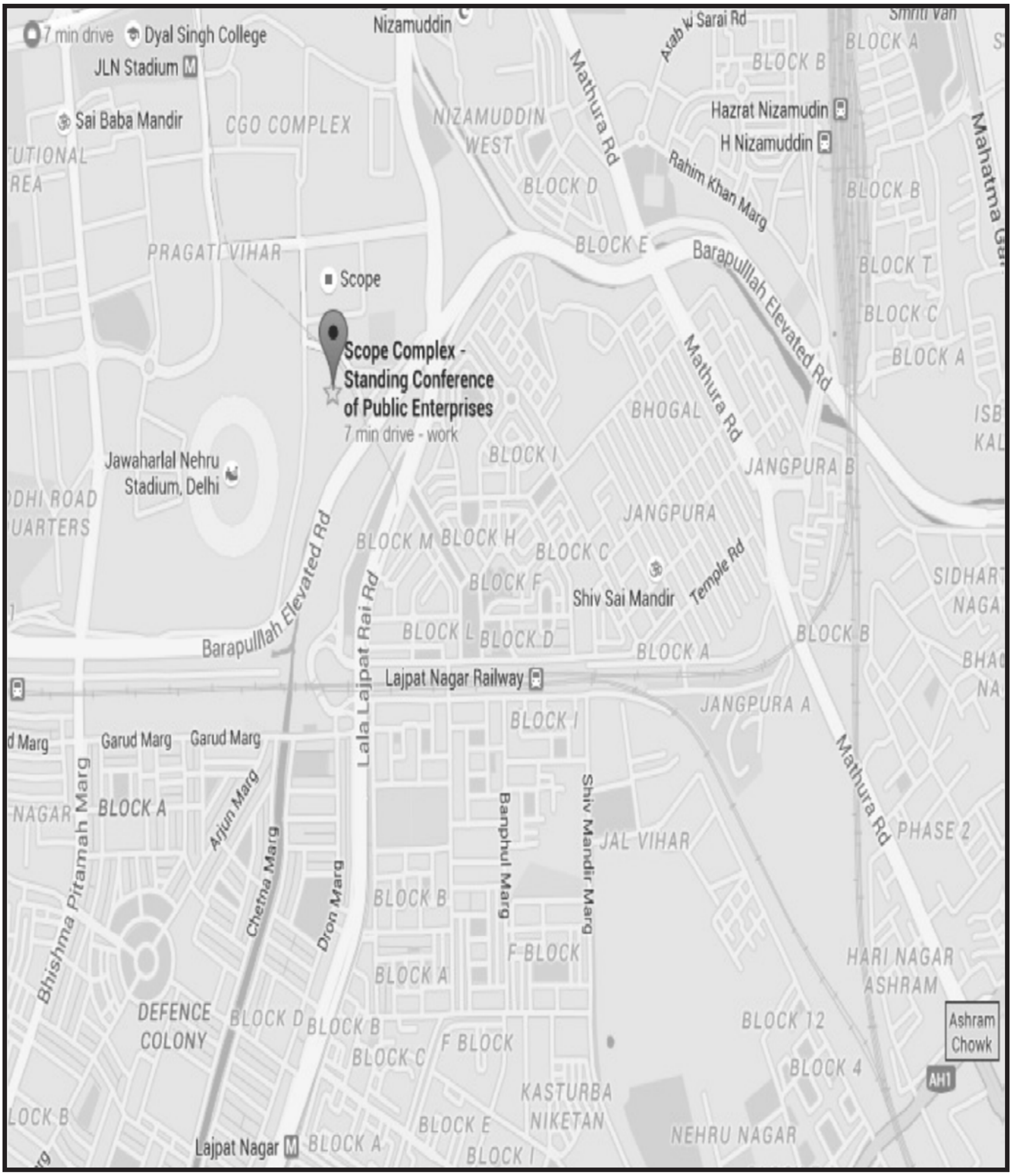
Signature of shareholder

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.**
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. **Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.**

ROUTE MAP


7 min drive
Dyal Singh College
JLN Stadium
Nizamuddin
Sai Baba Mandir
CGO COMPLEX
NIZAMUDDIN WEST
Mathura Rd
Sarai Rd
BLOCK B
BLOCK A
Smriti Van
Hazrat Nizamudin
H Nizamuddin
Rahim Khan Marg
BLOCK D
BLOCK E
PRAGATI VIHAR
Scope
Barapullah Elevated Rd
BLOCK T
BLOCK C
Scope Complex - Standing Conference of Public Enterprises
7 min drive - work
BHOGAL
Jawaharlal Nehru Stadium, Delhi
BLOCK I
JANGPURA B
JANGPURA
BLOCK M
BLOCK H
BLOCK C
BLOCK F
Shiv Sai Mandir
Temple Rd
Lala Lajpat Rai Rd
BLOCK L
BLOCK D
BLOCK A
BLOCK B
Lajpat Nagar Railway
JANGPURA A
Garud Marg
Garud Marg
Bhishma Pitamah Marg
BLOCK A
Arjun Marg
Chetna Marg
Dron Marg
Banphul Marg
Shiv Mandir Marg
JAL VIHAR
PHASE 2
F BLOCK
HARI NAGAR ASHRAM
DEFENCE COLONY
BLOCK D
BLOCK B
BLOCK C
F BLOCK
BLOCK 12
BLOCK 4
Ashram Chowk
AH1
KASTURBA NIKETAN
NEHRU NAGAR
BLOCK E
Lajpat Nagar
BLOCK I
Mahatma Gandhi

NTECL

NTPC Tamil Nadu Energy Company Limited

(A Joint Venture of NTPC Ltd. & TANGEDCO)
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