



16TH ANNUAL REPORT 2018-19

NTPC Tamilnadu Energy Company Ltd

(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: amitgarg@ntpc.co.in
Web Site : www. ntpcnceljv.co.in
CIN: U40108DL2003PLC120487

JOINT VENTURE PARTNERS

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

BANKERS

1. **Corporation Bank,**
Nungambakkam Branch, Gee Gee Emerald,
1st Floor, 151, Village Road,
Nungambakkam, Chennai 600034
2. **State Bank of India,**
Corporate Accounts Group Branch-I
11th Floor, Jawahar Vyapar Bhawan,
1, Tolstoy Marg, New Delhi – 110001

AUDITORS

M/s S. Sonny Associates
Chartered Accountant

CHIEF EXECUTIVE OFFICER

Debasis Sarkar

CHIEF FINANCE OFFICE

Evani Sastry

COMPANY SECRETARY

Amit Garg

Board of Directors

Shri Prakash Tiwari
Part-Time Chairman

Shri Vikram Kapur
IAS, Part-Time Director

Shri D K Dubey
Part-Time Director

Smt. M. Maheswari Bai
Part-Time Director

Shri A N Sahay
Independent Director

Smt. S. Geetha*
Part-Time Director
(*ceased w.e.f. 30th June, 2019)

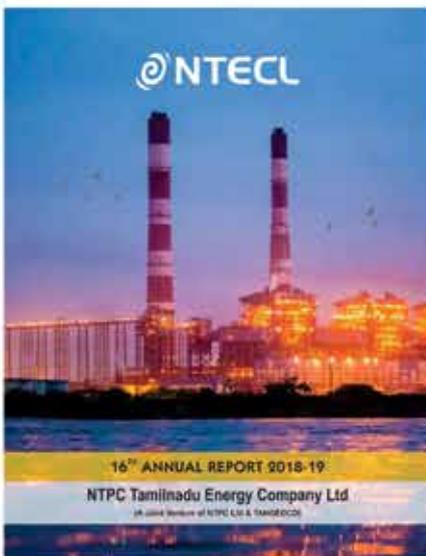
Shri C V Anand
Part-Time Director



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SELECTED FINANCIAL INFORMATION

		Rs. In lakhs	Rs. In lakhs
		2018-19	2017-18
A	Revenue		
	Revenue from operations (Net)	4,08,907.00	3,54,027.00
	Other Income	1,563.00	3,588.00
	Total Revenue	4,10,470.00	3,57,615.00
B	Expenses		
	Fuel	2,53,792.00	2,11,573.00
	Employee Benefits Expenses	10,109.00	9,061.00
	Generation, Administration & Other Expenses	23,754.00	23,767.00
	Prior period items (net)		
	Total Expenses	2,87,655.00	2,44,401.00
	Profit before Depreciation, Finance cost and Tax	1,22,815.00	1,13,214.00
	Depreciation	50,018.00	48,771.00
	Profit before Finance cost and Tax	72,797.00	64,443.00
	Finance Cost	57,894.00	59,945.00
	Profit before exceptional items and Tax	14,903.00	4,498.00
	Exceptional Items	-	-
	Profit before tax	14,903.00	4,498.00
	Tax Expense - Current Year		
	Current Year	3,214.00	1,365.00
	Deferred Tax charge/(credit)	12,473.00	36,779.00
		15,687.00	38,145.00
	Net movement in regulatory Deferral account	12,704.00	36,991.00
	Profit After Tax	11,920.00	3,344.00
	Dividend	-	-
Dividend Tax	-	-	
Retained Profit	11,920.00	3,344.00	
C	Assets		
	Fixed assets (Net Block)		
	Tangible assets	7,27,508.00	7,65,279.00
	Intangible assets	518.00	568.00
	Capital work-in-progress	30,065.00	29,540.00
	Intangible assets under development	-	-
	Total Fixed Assets (Net Block)	7,58,091.00	7,95,387.00
	Investments (Non-Current)	-	-
	Long-term loans and advances	5.00	6.00
	Other non-current assets	4,290.00	4,624.00
	Current Assets	2,53,835.00	1,82,686.00
	Regulatory deferral Account Debit balance	50,115.00	37,348.00
	Total Assets	10,66,336.00	10,20,051.00
	D	Liabilities	
Borrowings			
Long-term borrowings		4,30,550.00	4,56,078.00
Current Maturities of Long Term Borrowings		45,243.00	43,272.00
Total Borrowings		4,75,793.00	4,99,350.00
Other long term liabilities and provisions		49,392.00	36,927.00
Current liabilities		3,09,753.00	2,64,145.00
Current Maturities of Long Term Borrowings		45,243.00	43,272.00
Net Current Liabilities		2,64,510.00	2,20,873.00
Share Application pending Allotment		1,250.00	561.00
E	Net Worth		
	Share Capital	2,83,121.00	2,81,999.00
	Reserves & Surplus	(7,730.00)	(19,659.00)
	Net-worth	2,75,391.00	2,62,340.00
	Total Liabilities	10,66,336.00	10,20,051.00
	Capital Employed	8,01,826.00	7,99,178.00
	Earnings Per Share (₹)	0.98	0.17
	REC LOAN DETAILS		
	PHASE I	2,67,050.00	2,77,006.00
	PHASE II	1,63,500.00	1,79,072.00
Total Loan	4,30,550.00	4,56,078.00	

NTPC Tamil Nadu Energy Company Limited

CIN: U40108DL2003PLC120487

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

Tel. no.: 011-24369034 Fax: 011-24360241

Email: amit1106.acs@gmail.com Website: www.ntpcnteljv.co.in

NOTICE

NOTICE is hereby given that the **16th Annual General Meeting** of the Members of **NTPC Tamil Nadu Energy Company Limited** will be held on 25th September, 2019 at 10.30 A.M at **Registered Office of the Company at NTPC Bhawan, Core-7, SCOPE Complex,7, Institutional Area,Lodi 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 31stMarch, 2019, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri. Prakash Tiwari (DIN: 08003157), who retires by rotation and being eligible, offers himself for re-appointment.
3. To fix the remuneration of the Statutory Auditors for the year 2019-20.

SPECIAL BUSINESS:

4. To ratify the remuneration of the Cost Auditors for the financial year 2018-19 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.60,000/- (Rupees Sixty 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 2018-19 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.”

- 5.To appoint/re-appoint Shri. Animesh Nandan Sahay (DIN: 02376882), as Independent Directors of the Company and in this regard to consider and if thought fit, to pass the following resolution as **Special Resolution**:

Resolved that pursuant to the provisions of Section 149, 152 and other applicable provisions if any, of the Companies Act,2013 Rules made thereunder, Shri Animesh Nandan Sahay (DIN 02376882), who was appointed as an Additional Director by the Board of

Directors with effect from 24thSeptember, 2019 to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Shri Animesh Nandan Sahay (DIN 02376882), as a candidate for the office of a director of the Company, be and is hereby appointed as Independent Director of the Company, to hold office for a term of three consecutive years from September 24th, 2019 upto September 23rd, 2022, not liable to retire by rotation.

By order of the Board of Directors

(Amit Garg)
Company Secretary

Place: New Delhi

Date: 24th September, 2019

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 representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. 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 15th Annual General Meeting held on September 14, 2018, authorized the Board of Directors to fix the remuneration of Statutory Auditors for the financial year 2018-19 Accordingly, the Board of Directors has fixed audit fee of Rs. 2,75,000/- (Rupees Two Lakh Seventy-Five Thousand only) for the Statutory Auditors for the Financial year 2018-19 i.e M/s S.Sonny & 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 regarding appointment of the Statutory Auditors of the Company for the financial year 2019-20 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 2019-20, after taking into consideration the volume of work and prevailing inflation.

6. 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 Sundays, between 11.00 A.M. to 1.00 P.M. prior to the Annual General Meeting.
7. 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.
8. None of the Directors of the Company is in any way related with each other.
9. Route map to the venue of the Annual General Meeting is enclosed.

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EXPLANATORY STATEMENT

Item No. 4

Based on recommendation of Audit Committee, the Board of Directors in its meeting held on 24th August 2018 has approved the name of M/s B.V.S & Co, Cost Accountants, as Cost Auditor. The work was assigned to Cost Auditors and total fee of Rs. 60,000/- is payable for cost audit for the Financial Year 2018-19. 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 2018-19.

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. 5

Shri Animesh Nandan Sahay (DIN 02376882) was appointed as Additional Director w.e.f. 24th September, 2019 to hold office upto this Annual General Meeting. The Company has received a notice in writing from a member pursuant to the provisions of Section 160 of the Companies Act, 2013 (the Act), signifying his intention to propose Shri Animesh Nandan Sahay for the office of Independent Director for a term of three consecutive years from September 24, 2019 upto September 23, 2022. Shri Animesh Nandan Sahay, if appointed, will not be liable to retire by rotation.

In pursuance of Article 101 of the Article of Association of NTECL Ltd, and on basis earlier nomination received by NTPC vide letter no. 1.9.2016, Shri Animesh Nandan Sahay (DIN: 02376882) was appointed as Independent Directors for a period of three years. His tenure of appointment was already completed on 13th September 2019. Subsequently Shri. Animesh Nandan Sahay is re-appointed as Additional Director w.e.f from 24th September, 2019 on the Board of NTECL for a period of three-year. Accordingly, Shri Animesh Nandan Sahay was appointed as Additional Director w.e.f 24th September 2019 subject to the approval of shareholders in General Meeting as per the provisions of Section 149 (10) of the Companies Act, 2013.

His brief resume, inter-alia, giving nature of expertise in specific functional area, shareholding in the Company, other Directorship, Membership/ Chairperson of Committees and other particular are provided elsewhere, which forms part of this notice.

Shri. Animesh Nandan Sahay had wide experience in the area of Academics and Management. His association would be of immense benefit to the Company. Accordingly, it is proposed to appoint Shri. Animesh Nandan Sahay as an Independent Director.

Shri. Animesh Nandan Sahay has given declaration to the effect that he meets the criteria of Independence as prescribed under Section 149 of the Companies Act,2013, read with the Companies (Appointment and Qualification of Directors) Rule,2014.

Shri Animesh Nandan Sahay is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

None of the Directors or Key Managerial Personnel of the Company or their relative except Shri Animesh Nandan Sahay, is any way, concerned or interested, financially or otherwise, in the special resolution.

The Board recommends the resolution for your approval.

By order of the Board of Directors

(Amit Garg)
Company Secretary

Place: New Delhi

Date:24th September, 2019

To

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

Brief resume of Director seeking appointment/reappointment

Name	Shri Prakash Tiwari	Shri Animesh Nandan Sahay
Date of Birth and Age	01.05.1960 59 Years	24.10.1955 63 Years
Date of First Appointment in the Board	08.12.2017	13.09.2016
Qualifications	Mechanical Engineer from NIT Rajpur	Graduated in Mining Engineering from IIT, Kharagpur
Terms and Conditions of appointment or re-appointment along with remuneration details	Part-time Chairman nominated by the JV Partner	Independent Director
Expertise in specific functional area	He has an illustrious career spanning over 37 years of outstanding contribution in management of large size plants in the area of power plant operation and maintenance and in the project construction as a Professional Manager, Strategic Planner and a Business Leader. He had led several initiatives for achieving operational excellence of Plants.	Retired as CMD MCL on 31st October, 2015. Over 40 years of experience in Coal Industry covering Operations, Planning and Project implementation. He has extensive exposure to handling of international agreements in coal sector for project formulation and project implementation.
Directorship held in other companies	<ol style="list-style-type: none"> 1. NTPC LIMITED 2. KANTI BIJLEE UTPADAN NIGAM LIMITED 3. WEST BENGAL POWER DEVELOPMENT CORPORATION LIMITED 4. NORTHERN COALFIELDS LIMITED (Permanent Invitee) 	<ol style="list-style-type: none"> 1. Vedanta Limited (Advisor) 2. Adani Enterprises Limited (Advisor)
Membership/Chairmanship of Committees across all Public Companies held as on 31.3.2019	NTPC Ltd <ol style="list-style-type: none"> 1. Project Sub Committee-Member 2. Committee on Management Control-Member 3. Committee of Functional Director for Contracts-Member 4. Investment/Contribution Sub Committee-Member 5. Committee for Risk Management-Member 6. Committee of the Board for Allotment and Post Allotment-Member 7. Committee of Directors on Fuel Management and Development and Operation Coal Blocks-Member 	<ol style="list-style-type: none"> 1. NTECL – Audit Committee – Chairman 2. NTECL - Nomination and Remuneration Committee – Chairman 3. NTECL - Corporate Social Responsibility Committee - Chairman
Attendance in Board Meetings till 31.3.2019	No. of Meetings held during his tenure – 6 No. of Meetings Attended - 6	No. of Meetings held during his tenure – 6 No. of Meetings Attended - 6
No. of shares held in the Company	100	Nil
Relationship with other Directors and KMP	None	None

DIRECTORS' REPORT

To

The Members,

Your Directors are pleased to present the 16th Annual Report on the working of the Company together with Audited Financial Statements, Auditors' Report and Review by the Comptroller & Auditor General of India for the financial year ended on 31st March, 2019.

PERFORMANCE OF THE COMPANY

NTECL (NTPC Tamil Nadu Energy Company Ltd), a Joint Venture Company between NTPC Limited and TANGEDCO (Tamil Nadu Generation & Distribution Corporation Ltd.) is having an installed capacity of 1500 MW (3x500 MW) situated at Tiruvallur District in Tamil Nadu.

The brief highlights of the Company for the year ended on 31st March 2019 are as under:-

S.No.	Description	Units	2018-19	2017-18
1	Commercial Generation	MUs	7706.87	7167.74
2	Energy Sent Out (ESO)	MUs	7111.13	6809.89
3	Plant Load Factor (PLF)	%	58.65	54.55
4	Availability Factor (DC)	%	74.79	67.52
5	Auxiliary Power Consumption (APC)	%	7.73	7.85

Due to grid frequency & demand constraints, there was a backing down of 1858.20 MUs.

Your company had generated revenue of Rs. 4,104.70 Crore in FY 18-19, with a profit after tax of Rs.119.20 Crore.

FINANCIAL REVIEW

The financial highlights of the Company for the year ended on 31st March 2019 are as under: -

(Rs. In crores)

Balance Sheet Items as at		31.03.2019	31.03.2018
Paid-up Share Capital	:	2831.21	2819.99
Reserves and Surplus	:	(77.30)	(196.59)
Share Application Money Pending Allotment	:	12.50	5.61
Non-current liabilities	:	4306.90	4562.26
Current liabilities	:	3097.53	2641.45
Non-current assets	:	7623.86	8000.17
Current assets	:	2538.35	1826.86
Items from Statement of Profit and Loss for the year ended	:		
Total Revenue	:	4104.70	3576.15
Total Expenses (incl. regulatory deferral a/c)	:	3955.67	3528.48
Profit / (Loss) before Tax for the year		149.03	47.67
Tax		32.14	14.23
Profit / (Loss) after tax for the year	:	119.20	33.44
Weighted average number of equity shares used as denominator (Basic)		282,62,54,772	281,61,77,566
Weighted average number of equity shares used as denominator (Diluted)		282,62,54,772	281,61,77,566

Earnings per shares (Basic)		0.53	0.16
Earnings per shares (Diluted)		0.53	0.16
Face value per share		10.00	10.00

During the Year 18-19 Financial Statements have been prepared as per IND AS requirements.

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

LED lighting worth Rs. 1,67,06,390 was installed at Vallur plant, because of which 2.76 Mus are being saved. Also purchase order for additional LED lighting around Rs. 4.0 Crore is placed on Energy Efficiency Services Limited.

During the period under review, there was no earning in the foreign exchange. The outgo in foreign exchange was Rs. 23.81 Crore.

(2) Information on Number of Meeting of the Board held during the year:

During the year, six (6) Meetings of the Board were held on 10.04.2018, 24.05.2018, 24.08.2018, 07.12. 2018, 24.12.2018, and 07.03. 2019. The attendance of Directors in these Meetings are as under:

Name of the Directors	Meeting Date					
	10.04.2018	24.05.2018	24.08.2018	07.12.2018	24.12.2018	07.03.2019
Shri. Prakash Tiwari, Chairman*	Yes	Yes	Yes	Yes	Yes	Yes
Shri. Vikram Kapur - IAS, Director	Yes	No	No	No	Yes	Yes
Ms. M. Maheswari Bai, Director	Yes	Yes	Yes	Yes	Yes	Yes
Ms. S. Geetha (Upto 30.06.2019)**	Yes	Yes	Yes	Yes	Yes	Yes
Shri. A.N. Sahay, Director	Yes	Yes	Yes	Yes	Yes	Yes
Shri. C. V Anand, Director	Yes	Yes	Yes	Yes	Yes	Yes
Shri.D.K Dubey- Nominee Director (w.e.f. 24.05.2018)	NA	Yes	Yes	Yes	No	Yes
Shri Kaza Ram Chandra Murthy- Nominee Director(Upto 03.05.2018)***	Yes	NA	NA	NA	NA	NA

Yes: Present

No : Leave of Absence

NA: Either the Director was not inducted or has ceased on the Board of the Company

* In 78th Meeting of Board of Directors held on 10.04.2018 it has been decided that Shri Prakash Tiwari will be the Chairman w.e.f. 10.04.2018

** Ms. S. Geetha ceased to be Director w.e.f 30.06.2019

*** Shri Kaza Ram Chandra Murthy ceased to be director w.e.f 03.05.2018

(3) Audit Committee

Your Company constituted the Audit Committee of the Board under requirement of section 177 of the Companies Act, 2013. As on 31st March 2019, the Committee comprises following members:

Shri. A.N. Sahay	Chairman of the Committee
Ms. M. Maheswari Bai	Part-time Director
Shri. C V Anand	Part-time Director
Shri. Prakash Tiwari	Part-time Director

During the year, two (2) Meetings of the Committee were held on 24.05.2018, and 24.08.2018. The attendances of Directors in these Meetings are as under:

Name of the Director	Meeting Date	
	24.05.2018	24.08.2018
Shri. A.N. Sahay, Chairman of the Committee	Yes	Yes
Shri. Prakash Tiwari	Yes	Yes
Ms. M. Maheswari Bai	Yes	Yes
Shri. C V Anand (w.e.f 24.05.2018)	NA	Yes

Yes: Present

No: Leave of Absence

NA: Indicates that the Director was not member of the Committee.

(4) Nomination & Remuneration Committee

Your Company constituted the Nomination & Remuneration Committee of the Board under requirement of section 178 of the Companies Act, 2013. As on 31st March 2019, the Committee comprises following members:

Shri A.N. Sahay*	Chairman of the Committee
Smt. M. Maheswari Bai	Non-executive Director
Shri C V Anand	Non-executive Director
Shri Prakash Tiwari	Non-executive Director

*** In 79th Meeting of Board of Directors held on 24.05.2018 it has been decided that Independent Director will be the Chairman of the Committee w.e.f. 24.05.2018.**

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

Name of the Director	Meeting Date
	No meetings held during the Year
Shri A.N. Sahay	NA
Shri C V Anand (w.e.f 24.05.2018)	NA
Smt. M.Maheswari Bai	NA
Shri Prakash Tiwari	NA
Shri K R C Murty (up to 03.05.2018)	NA

Yes: Present

No: Leave of Absence

NA: Not Applicable.

The terms of reference of Nomination and Remuneration Committee includes the following: -

- to formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.

- ii. to identify persons who may be appointed in Senior Management
- iii. to carry out evaluation of every Director's performance and recommend to the board his/her appointment and removal based on the performance.

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.

(5) Corporate Social Responsibility

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 2019, the Committee comprises following members:

Shri. A.N. Sahay	Chairman of the Committee
Smt. S.Geetha	Part-time Director
Shri. C.V Anand	Part-time Director
Shri. Dilip Kumar Dubey	Part-time Director

During the year, one (1) Meeting of the Committee were held on 10.04.2018. The attendance of Directors in these Meeting are as under:

Name of the Director	Meeting Date
	10.04.2018
Shri. A.N. Sahay Chairman of the Committee	Yes
Ms. S.Geetha*	Yes
Shri. K R C Murty (up to 03.05.2018)	Yes
Shri Prakash Tiwari (up to 24.05.2018)	Yes
Shri.C V Anand (w.e.f 10.04.2018)	NA
Shri. D.K Dubey (w.e.f 24.05.2018)	NA

Yes: Present

No: Leave of Absence

NA: Indicates that the Director was not member of the Committee.

*** Ms. S. Geetha ceased to be Director w.e.f 30.06.2019**

During the year the Company undertook various activities under CSR budget in and around the Vallur plant.

CD works completed in FY 18-19 is as below:

SI.No.	Name of the Activity	Date of execution/ Period	Amount Spend (Rs. in Lakh)
1.	Merit Scholarship to Students of Government schools from Surrounding villages of NTECL under "NTPC Utkarsh Scheme"	15.08.2018	0.21
2.	Distribution of Sweet Packets to Children studying in Government schools in the surrounding villages of NTECL on the occasion of Independence Day celebrations.	14.08.2018	0.92
3	Distribution of Sweet Packets to Children studying in Government schools in the surrounding villages of NTECL on the occasion of Republic Day celebrations.	25.01.2019	0.92

4	Conduct of Medical Camp in the surrounding villages.	28.07.2018	0.32
5	Construction of 8 Nos of Classrooms in Logantha Narayanaswamy Government College, Ponneri	2018-19	84.91
6	Conduct of Eye Camps in the surrounding villages of NTECL	03.12.2018 & 23.11.2018	0.47
7	Distribution of relief materials for affected persons due to Kerala floods through District Collector, Tiruvallur	23.08.2018	5.25
8	Contribution towards flag day fund through District Collector, Tiruvallur	7.12.2018	2.0
9	Assistance for Fencing of Land earmarked for Girls Higher secondary School at Padiyanallur Village through District Administration, Tiruvallur	13.02.2019	4.30
10	Distribution of relief materials to affected villages in Gaja Cyclone	03.12.2018	1.50

The total amount spent for CSR-CD works in FY 2018-19 is Rs. 1.01 Crore against the obligation of Rs.21,34,125/-

In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.

By spending Rs. 1.01 Crore during the financial year, the Company has surpassed the prescribed two percent amount of Rs. 21,34,125/-

This is to state that the, implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

(6) Web link of Annual Report

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

(7) Details of fraud Report by Auditor

As per Auditors' Report no fraud u/s 143(12) of Companies Act, 2013 reported by the Auditors.

(8) Statutory Auditors

As per the provisions of the Section 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. SONNY ASSOCIATES, Chartered Accountants, Chennai were appointed as Statutory Auditors of the Company for the financial year 2018-19 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.

M/s Sonny & Associates, Chartered Accountants have been appointed as the Statutory Auditors of the Company for the financial year 2019-20 are yet to be appointed by the Comptroller & Auditor General of India vide their letter dated 31.7.2019.

(9) Management comments on Statutory Auditors Report

Nil

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

The Comptroller & Auditor General of India (C&AG), through letter dated 13.06.2019, has given 'Nil' comments on the financial statements of your Company for the year ended on 31.03.2019.

(11) 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 B.V.S. & Co., Cost Accountants as Cost Auditors under Section 148(3) of the Companies (Audit & Auditors) Rules, 2014 for the financial year 2018-19.

The Cost Audit Report for your Company for the financial year ended 31.03.2018 was filed with the Central Government on 22.09.2018. The Cost Audit Report for the financial year ended March 31, 2019 shall be filed within the prescribed time period under the Companies (Cost Records & Audit) Rules, 2014.

(12) 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.

(13) Extract of Annual Return

Extract of Annual Return of the Company is annexed herewith as **Annex- A** to this Report.

(14) 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, all the Directors are nominated by NTPC and TANGEDCO. The Directors nominated by NTPC or TANGEDCO are being evaluated under a well laid down procedure for evaluation of Functional Directors & CMD as well as of Government Directors by Administrative/respective Ministry.

(15) Secretarial Audit

Act, 2013, your Company is required to annex with its Board Report, a secretarial audit report, given by a Company Secretary in practice. Accordingly, the Board has appointed M/s A. Kaushal & Associates, Company Secretaries, to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is attached as **Annex- B** to this Report. The Secretarial Auditor has given unqualified Secretarial Audit Report for the financial year 2018-19 subject to following observations.

S.No.	Auditor Observation	Management Reply
1.	The Company made allotment of Equity Shares on Right basis to existing shareholders on 7 th March, 2019. However, the allotments of such equity shares were made beyond 60 days from the date of receipt of money	As NTECL, is a 50:50 JV Company between NTPC & TANGEDCO. In the absence of matching contribution from JV partner the allotment was made beyond 60 days from the date of receipt of money
2.	The Company had issued Equity Shares on Right basis to existing shareholders on 7 th March, 2019 the shares were issued in physical form and not in dematerialized form	The Company has made necessary application to a depositories as defined in clause (e) of sub section (1) of section 2 of the Depositories Act, 1996 for securing International Security Identification Number (ISIN) on 30 th May, 2019. Further, Company had converted NTPC Physical share into Demat form but still the share of TANGEDCO need to be converted into Demat form

(16) 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, there is no 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)

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

1. Brief of NTECL Tariff order dated 11.07.2017 in petition no. 277/GT/2014

S.No	Particulars	Rs. Cr.	Rs. Cr./MW
1	Capital Cost Allowed by CERC as on COD of U#3(26.02.2015)	7817.37	5.21
2	Capital cost disallowed	454.79	

- a) Final tariff order for 2009-14 published on 18.04.17. NTECL filed a petition in Appellate Tribunal against the CERC order; next hearing on the appeal is on 16.09.2019.
- b) Petition for relaxation of NAPAF for 2017-18 and 2018-19 to 83% from 85% filed on 20.02.18. Petition rejected by CERC vide order dated 26/06/19.
- c) Petition for cut-off date extension (up to 31.03.2019) filed on 21.02.18. Petition disposed in favour of NTECL vide order dated 25/04/19.

2. The following Court Orders have been passed

- a) The High Court of Madras has passed an ex-parte Interim injunction on 20.11.18 based on W.P No: 30135 of 2018- Mr. Ravimaran versus Union of India and Others restraining NTECL from discharging ash into the ash dyke which is unlined. As it was not possible to run the plant without discharging the ash into the dyke, the plant was stopped from 8th to 15th Jan 2019 to comply with HC stay order. NTECL filed SLP in Supreme Court (Diary no. 642/2019) against stay order of HC of Madras. The SC by order dated

15.01.19 stayed the operation of the above High Court order and station restarted operations on 15th Jan'19. The case is being heard in SC and HC.

- b) The High Court of Madras has passed an ex parte Interim order on 19.11.18 based on W.P No: 30237 of 2018- Mr Saravanan versus Union of India and Others restraining NTECL from dumping the soil & any material which will affect the marshy land including the mangroves. The lagoon 1 construction work was stopped in compliance. The Interim injunction is lapsed on 14.02.19. However, NTECL has received a show cause notice dated 09.01.2019 from MoEF & CC wherein NTECL was directed to stop the construction of lagoon 1 and protect the Mangroves till further orders. The lagoon 1 construction remain stopped. The case is being heard in HC and the matter is being persuaded at MoEF & CC.
- c) The High Court of Madras has given ex parte Interim Injunction on 05.11.2018 against sale of additional ash to other agencies based on O.A.No. 1032 of 2018-Fly Ash Movers India Ltd versus NTECL. The interim order of injunction was vacated and the original petition was dismissed by the court order dated 19.06.2019

(18) 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.

(19) 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 lac 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 superannuation benefits like gratuity, earned leaves encashment, etc.

S.No.	Employees Number	Name of the Employees	Gross Amount (Rs.)	Date of Separation / Superannuation
1.	002031	Karusala Koteswara Rao	61,62,317.00	31.08.2018
2.	002160	Keerivalappil Achuthan Subhas	72,95,319.00	31.07.2018
3.	002819	D. Muralidharan	1,39,04,916.00	26.07.2018
4.	004061	Boswell Varkey	2,18,52,505.00	03.10.2018
5.	020313	S .P. Muthu Krishnan	72,66,024.00	31.07.2018
6.	021497	Agasthian Ponnambalam	58,92,832.00	30.04.2018
7.	032233	Nizamudeen M.	1,67,32,251.00	15.10.2018
8.	077049	Bhadran Rajappan Aramuriyil	69,95,902.00	31.10.2018

(20) Issue of Shares in the Financial Year

During the year under review, the Company issued 56,10,000 Equity shares of Rs 10/- each to NTPC and TANGEDCO.

(21) 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.

(22) 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.

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

The Company has not granted any loans, given any guarantee or made any investments under Section 186 of the Companies Act, 2013 during the year.

(24) Fixed Deposits

The 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.

(25) The Company has no subsidiary or joint venture.

(26) Dividend

The Company has not declared any dividend during the year.

(27) Sexual Harassment of Women at Workplace

The Company has Zero tolerance for Sexual harassment at workplace and has adopted a policy against sexual harassment 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 2018-19

Most of the Employees are from Deputation from NTPC and there are only five employees on the roll of NTECL and they are not SCs/STs.

(30) Information on Differently Abled Persons

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

The detail is given as under:

S.No	Name	Emp. No	Grade	Department
1.	R.Bramananthan	062012	E2	C&I-Maint
2.	T.S.K.Vijayraghvan	055243	W5	HR
3.	A.Thiruvengadam	95611	W5	HR
4.	K.Mohideen	102525	E3	Operation
5.	Shankariah Sircilla	032176	E2	T/ship Elec.

(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.

Nil

(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 the Company

Nil

(35) The Company has complied with the applicable Secretarial Standards.
(36) The particulars of annexures forming part of this report are as under

Particulars	Annexure
Extract of Annual Return	A
Secretarial Audit Report in Form MR-3	B

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 2018-19 and of the profit of the company for that period;
3. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

4. the Directors had prepared the Annual Accounts on a going concern basis; and
5. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD OF DIRECTORS

Presently, the Board of Directors of the Company comprises Shri. Prakash Tiwari, Chairman, Shri. Vikram Kapur, Shri. A.N Sahay, Ms. M. Maheswari Bai, Shri. C.V Anand, and Shri. D.K Dubey as Directors of the Company.

Change in Board of Directors/KMPs

Following changes have been occurred in the Board of Directors of the Company since last Annual General Meeting dated 14th September 2018:

- a) Ms. S. Geetha ceased to be Director w.e.f. 30.06.2019 due to attaining the age of superannuation from her parent cadre

No change occurred in the position of Key Managerial Personnel of the Company

The Board wishes to place on record its deep appreciation for the valuable services rendered by Ms. S. Geetha during their association with the Company.

As per the provisions of the Companies Act, 2013, Shri. Prakash Tiwari, 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, Auditors and the Bankers of the company.

We wish to place on record our appreciation for the untiring efforts and contributions made by the employees of the Company at all level.

For and on behalf of Board of Directors

(Prakash Tiwari)
Chairman
DIN: 08003157

PLACE: New Delhi

DATE: 24th September, 2019

Form No. MGT-9
Extract of Annual Return
as on the financial year ended on March 31, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- | | | | |
|------|---|---|---|
| i) | CIN | : | U40108DL2003PLC120487 |
| ii) | Registration Date | : | 23.05.2003 |
| iii) | Name of the Company | : | NTPC TAMIL NADU ENERGY COMPANY LIMITED |
| iv) | Category / Sub-Category of the Company | : | Public Company / Non-Government Company |
| v) | Address of the Registered office and contact details | : | NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110003
Ph. No.: 011-2438-7789
Fax No.: 011-24360241
E-mail: amit1106.acs@gmail.com |
| vi) | Whether listed company Yes / No | : | No |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | : | Not Applicable |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/Services	NIC code of the Product/service	% to total turnover of the Company
1	Generation of Electricity	35102	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S.No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	300	300	0.00	-	300	300	0.00	-
(i) As Nominee of NTPC	-	300	300	0.00	-	300	300	0.00	-
(ii) As Nominee of Tamil Nadu Generation & Distribution Corporation Limited	-	140,99,95,812	140,99,95,812	50%	-	141,56,05,812	141,56,05,812	50%	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
NTPC Limited	-	140,99,95,812	140,99,95,812	50%	-	141,56,05,812	141,56,05,812	50%	-
Tamil Nadu Generation & Distribution Corporation Limited	-	140,99,95,812	140,99,95,812	50%	-	141,56,05,812	141,56,05,812	50%	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	2,81,99,92,224	2,81,99,92,224	100%	-	2831212224	2831212224	100%	-
(2) Foreign									
a) NRIs- individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + A(2)	-	2819992224	2819992224	100%	-	2831212224	2831212224	100%	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	-	-	-	-	-	-	-	-	-
2. Non-institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B)(1) + (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	2819992224	2819992224	100%	-	2831212224	2831212224	100%	-

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	NTPC Limited	1409995812	50%	-	1415605812	50%	-	-
2.	Tamil Nadu Generation & Distribution Corporation Limited	1409995812	50%	-	1415605812	50%	-	-
3.	Nominees of NTPC	300	0.00	-	300	0.00	-	-
4.	Nominees of Tamil Nadu Generation & Distribution Corporation Limited	300	0.00	-	300	0.00	-	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SI No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2819992224	100%	2819992224	100%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
	Allotment made on 07.03.2019	11220000	100%	2831212224	100%
	At the End of the year	2831212224	100%	2831212224	100%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, promoters and Holders of GDRs and ADRs)

SI No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For each of Top 10 shareholders				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

SI No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For each of the Directors and KMP				
1.	Shri Prakash Tiwari Chairman & Nominee of NTPC				
	At the beginning of the year	100	0.00	100	0.00
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus /sweat equity etc)	0.00	0.00	100	0.00
	At the End of the year	100	0.00	100	0.00
2.	Shri Vikram Kapur- IAS Director & Nominee of TANGEDCO				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise increase / decrease in Shareholding during the year	100	0.00	100	0.00

SI No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For each of the Directors and KMP				
	specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus /sweat equity etc): Transfer from Dr. M Sai kumar on 10.4.2018				
	At the End of the year	100	0.00	100	0.00
3.	Shri Dilip Kumar Dubey Director & Nominee of NTPC				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus /sweat equity etc): Transfer from Shri K.R.C Murthy on 24.5.2018	100	0.00	100	0.00
	At the End of the year	100	0.00	100	0.00
4.	Shri C V Anand Director & Nominee of NTPC				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus /sweat equity etc) : Transfer from Shri Gurdeep Singh on 10.04.2018	100	0.00	100	0.00
	At the End of the year	100	0.00	100	0.00
5.	Smt. S.Geetha Director & Nominee of TANGEDCO				
	At the beginning of the year	100	0.00	100	0.00
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus /sweat equity etc)	Nil	0.00	Nil	0.00
	At the End of the year	100	0.00	100	0.00
6.	Smt. M. Maheswari Bai Director & Nominee of TANGEDCO				
	At the beginning of the year	100	0.00	100	0.00
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus /sweat equity etc)	Nil	0.00	Nil	0.00
	At the End of the year	100	0.00	100	0.00

VI. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrue but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	64,18,48,99,110	0	0	64,18,48,99,110
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	4,17,85,226	0	0	4,17,85,226
Total (i + ii + iii)	64,22,66,84,336	0	0	64,22,66,84,336
Change in Indebtedness during the financial year				
- Addition	3,60,60,15,181	0	0	3,60,60,15,181
- Reduction	4,43,40,73,494	0	0	4,43,40,73,494

Net Change	(82,80,58,313)	0	0	(82,80,58,313)
Indebtedness at the end of the financial year				
i) Principal amount	63,33,69,69,564	0	0	63,33,69,69,564
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	6,13,53,004	0	0	6,13,53,004
Total (i + ii + iii)	63,39,83,22,567			63,39,83,22,567

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) if the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - Others, specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
		Shri A.N. Sahay	
1.	Independent Directors <ul style="list-style-type: none"> • Fee for attending Board / committee meetings • Commission • Others, please specify 	2,12,400 - -	2,12,400 - -
	Total (1)	2,12,400	2,12,400
2.	Other Non-Executive Directors <ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 	- - -	-
	Total (2)	-	-
	Total (B) = (1 + 2)	2,12,400	2,12,400
	Total Managerial Remuneration	2,12,400	2,12,400
	Overall ceiling as per the Act	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Remuneration to Key Managerial Personnel other than MD/Manager/WTD			
		Key Managerial Personnel			
		CEO	Co. Sec.	CFO	Total
		(Shri Debasis Sarkar)	(Shri Amit Garg)	(Shri Evani Sastry)	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	69,13,555	28,82,965	65,03,366	1,62,99,886
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	5,10,059	79,300	5,20,016	11,09,375
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of Profit	-	-	-	-
	- others (specify)	-	-	-	-
5	Others please specify	-	-	-	-
	Total	74,23,614	29,62,265	70,23,382	1,74,09,261

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of Board of Directors

(Prakash Tiwari)
Chairman
DIN: 08003157

PLACE: New Delhi
DATE: 24th September, 2019



SECRETARIAL AUDIT REPORT
For the financial year ended on 31st March, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
NTPC Tamil Nadu Energy Company Limited
NTPC Bhawan, Core-7, 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" (Corporate Identity Number U40108DL2003PLC120487) (hereinafter called the "Company"). 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 NTPC TAMIL NADU ENERGY COMPANY LIMITED'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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, 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 maintained by the Company for the financial year ended on 31st March, 2019, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
- iii) As explained by the management, there is no law which is specifically applicable on the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards (SS) 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, Regulations and Guidelines, etc. mentioned above subject to the following observations under Companies Act, 2013 (the Act) and rule made there under:



1. *The Company made allotment of Equity Shares on Right basis to existing shareholders on 7th March, 2019. However, the allotments of such equity shares were made beyond 60 days from the date of receipt of money.*
2. *The Company has issued the Equity Shares on Right basis to existing shareholders on 7th March, 2019 the shares were issued in physical form and not in the dematerialized form. However, the Company has made necessary application to a depository as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996 for securing International Security Identification Number (ISIN) on 30th May, 2019.*

We further report that: -

The Board of Directors of the Company is duly constituted with proper balance of Executive Director and Non-Executive Directors. Company is exempted vide General Circular No. 09/2017 dated 5th July, 2017 to have Independent Director(s) in its Board. The Changes in the Compositions of the Board of Directors that took place during the period under review were carried out in Compliance with the provisions of the Act.

Adequate notice has been given to all Directors to schedule the Board Meetings during the financial year under review, agenda and detailed notes on agenda were sent within timeline 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.

Based on the verification of the records and minutes, we report that all the decisions are carried unanimously. The members of the Board have not expressed dissenting views on any of the agenda items during the financial year under review.

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.

We further report that, during the audit period, the Company has not carried out any specific event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules regulations, guidelines.

**PLACE: NEW DELHI
DATE: 30/07/2019**



**FOR A. KAUSHAL & ASSOCIATES
COMPANY SECRETARIES**

**CS AMIT KAUSHAL
FCS- 6230, CP No.- 6663**

This report is to be read with our letter of even date which is annexed as **Annexure-I** and forms an integral part of this report.



Annexure-1

To
The Members
NTPC Tamil Nadu Energy Company Limited
NTPC Bhawan, Core-7, Scope Complex,
7, Institutional Area, Lodhi Road,
New Delhi- 110 003

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

1. Management of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of the 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 procedure 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.

PLACE: NEW DELHI
DATE: 30/07/2019



FOR A. KAUSHAL & ASSOCIATES
COMPANY SECRETARIES

A. Kaushal

CS AMIT KAUSHAL
FCS- 6230, CP No.- 6663

BALANCE SHEET AS AT 31 MARCH 2019

Particulars	Note No.	₹ Crore	
		As at 31.03.2019	As at 31.03.2018
ASSETS			
(1) Non-current assets			
(a) Property, plant & equipment	2	7,275.08	7,652.79
(b) Capital work-in-progress	3	300.65	295.40
(c) Intangible assets	2	5.18	5.68
(d) Financial Assets			
(i) Loans	4	0.05	0.05
(ii) Other financial assets	4	-	-
(e) Other non-current assets	5	42.90	46.24
Total non-current assets		7,623.86	8,000.17
(2) Current assets			
(a) Inventories	6	569.22	471.95
(b) Financial assets			
(i) Trade receivables	7	1,413.22	895.44
(ii) Cash and cash equivalent	8	16.55	6.59
(iii) Loans	9	0.04	0.05
(iv) Other financial assets	10	433.01	312.11
(c) Other current assets	11	106.31	140.71
Total current assets		2,538.35	1,826.86
(3) Regulatory deferral account debit balances	12	501.15	373.48
TOTAL ASSETS		10,663.36	10,200.51
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	2,831.21	2,819.99
(b) Other equity	14	(77.30)	(196.59)
(c) Share Application money pending allotment	15	12.50	5.61
Total equity		2,766.41	2,629.01
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	4,305.50	4,560.78
(ii) Trade payables	17	-	-
(iii) Other financial liabilities	18	1.16	1.29
(b) Provisions	19	0.24	0.19
(c) Deferred tax liabilities	19A	492.52	367.79
Total non-current liabilities		4,799.42	4,930.05
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	1,575.76	1,424.99
(ii) Trade payables	21	475.62	151.61
(iii) Other financial liabilities	22	931.23	939.63
(b) Other current liabilities	23	98.28	108.17
(c) Provisions	24	16.64	17.05
(d) Current tax liabilities (net)	24A	-	-
Total current liabilities		3,097.53	2,641.45
TOTAL EQUITY AND LIABILITIES		10,663.36	10,200.51

Significant accounting policies 1

The accompanying notes 1 to 44 form an integral part of these financial statements.

In terms of our report of even date

For S.Sonny Associates
Chartered Accountants
FRN : 0039255

For and on behalf of the Board of Directors

(S. Sundar)
Partner
M.No.023425



(Anil Garg)
Company Secretary

(M. Maheswari Bai)
Director

(Prakash Tiwari)
Chairman

(Debasis Sarkar)
CEO

(Evani Saxtry)
CFO

Place : Chennai
Dated : 15th May 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2019

Particulars	Note No.	₹ Crore	
		For the year ended 31.03.2019	For the year ended 31.03.2018
Revenue			
Revenue from operations	25	4,089.07	3,540.27
Other income	26	15.63	35.88
Total revenue		4,104.70	3,576.15
Expenses			
Fuel		2,537.92	2,115.73
Employee benefits expense	27	101.09	90.61
Finance costs	28	578.94	599.45
Depreciation, amortization and impairment expense	2	500.18	487.71
Other expenses	29	237.54	237.67
Total expenses		3,955.67	3,531.17
Profit / (Loss) before tax and Rate Regulated Activities (RRA)		149.03	44.98
Profit / (Loss) before tax		149.03	44.98
Tax expense - Current Tax			
Current year		32.14	13.65
Deferred tax charge/ (credit)		124.73	367.79
Total tax expense		156.87	381.45
Profit / (Loss) for the year		(7.84)	(336.47)
Net movement in regulatory deferral account (net of tax)		127.04	369.91
Profit for the year		119.20	33.44
Other comprehensive income			
Items that will not be reclassified to profit or loss (net of tax)		(0.02)	0.01
Other comprehensive income for the year, net of income tax		(0.02)	0.01
Total comprehensive income for the year		119.18	33.45
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)		0.98	1.47
Diluted (₹) (from operations including regulatory deferral account balances)		0.98	1.47
Basic (₹) (from operations excluding regulatory deferral account balances)		0.53	0.16
Diluted (₹) (from operations excluding regulatory deferral account balances)		0.53	0.16

The accompanying notes 1 to 44 form an integral part of these financial statements.

In terms of our report of even date

For S.Sonny Associates

For and on behalf of the Board of Directors

Chartered Accountants

FRN : 003955S

(S.Sundar)
Partner
M.No.023425



(Anil Garg)
Company Secretary

(M.Maheswari Bai)
Director

(Prakash Tiwari)
Chairman

Place : Chennai
Dated : 15th May 2019

(Debasis Sarkar)
CEO

(Evani Sasirya)
CFO

	₹ Crore	
	for the year ended 31.03.2019	for the year ended 31.03.2018
CASH FLOW STATEMENT		
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	149.04	44.98
Add: Net movements in regulatory deferral account balances (net of tax)- Income/(Expense)	127.04	369.91
Add: Tax expense on regulatory deferral account balances	0.63	0.57
Net Profit before tax	<u>276.71</u>	<u>415.46</u>
Adjustment for:		
OCI	(0.02)	0.02
Profit on disposal of fixed assets	(0.04)	(0.02)
Interest income	-	(0.08)
Depreciation	500.18	487.71
MIT Written off		
Stores written off		
Fly ash utilisation reserve	0.11	2.38
Interest charges	578.48	598.97
	<u>1078.71</u>	<u>1088.98</u>
Operating Profit/(Loss) before Working capital adjustments:	<u>1355.42</u>	<u>1504.44</u>
Adjustment for:		
Trade Receivables	(517.77)	347.02
Inventories	(97.26)	44.69
Regulatory deferral account balances	(127.67)	(370.48)
Trade Payables and Other Liabilities	333.83	(190.50)
Loans and Advances	53.34	(26.39)
Other Current Assets	(137.01)	93.43
Provisions	(0.35)	9.12
Cash Generated from Operations	<u>862.52</u>	<u>1411.33</u>
Income taxes Paid	(32.24)	(71.90)
Net Cash from Operating Activities-A	<u>830.28</u>	<u>1339.43</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant & Equipment	(157.44)	(307.62)
Disposal of fixed assets	0.04	0.02
Interest from deposits		0.08
Net Cash Used in Investing Activities-B	<u>(157.40)</u>	<u>(307.52)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Receipts from issue of Share Capital including share deposit account (pending for allotment)	18.11	30.00
Loan funds	(255.28)	(432.72)
Proceeds/(repayment)- short term borrowings	150.77	(92.66)
Interest paid	(576.52)	(601.42)
Net Cash flow from Financing Activities- C	<u>(662.92)</u>	<u>(1,096.80)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	9.96	(64.89)
Cash and Cash Equivalents(Opening Balance) (See Note 1 below)	6.59	71.48
Cash and Cash Equivalents(Closing Balance) (See Note 1 below)	16.55	6.59



CASH FLOW STATEMENT

₹ Crore
for the year ended 31.03.2019 for the year ended 31.03.2018

Notes

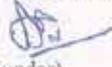
- 1 Cash and cash equivalents consists of cash in hand and balances with banks. Cash and cash equivalents included in the cash flow statement comprise of following balance sheets amounts as per Note-8 in ₹ Crore
- Balances with banks
- Cheques and drafts on hand
- Others (Franking machine balance ₹ 30069/- as at 31 March 2019, ₹16636/- as at 31 March 2018)

16.55 6.59

Particulars	Non-current borrowings *	Current borrowings	Interest on borrowings
Opening balance as at 1 April 2018	4,993.50	1,424.99	4.18
Interest accrued during the year (in cash)	-	-	578.48
Loan repayments net of drawals / interest payment during the year (in cash)	(235.57)	150.77	(576.52)
Closing balance as at 31 March 2019	4,757.93	1,575.76	6.14

* includes current maturities of non-current borrowings, refer Note 22

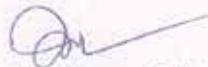
For S. Sonny Associates
Chartered Accountants
FRN : 003935S


(S.Sundar)
Partner
M.No.023425



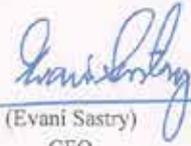
For and on behalf of the Board of Directors


(Anil Garg)
Company Secretary


(M.Maheswari Bai)
Director


(Prakash Tiwari)
Chairman


(Debasis Sarkar)
CEO


(Evani Sastry)
CFO

Place : Chennai
Dated : 15th May 2019



STATEMENT OF CHANGES IN EQUITY

NTPC TAMILNADU ENERGY COMPANY LIMITED
(A Joint Venture of NTPC Ltd. and TANGEDCO)

(A) Equity share capital

For the year ended 31 March 2019

	₹ Crore	
Balance as at 1 April 2018	11.22	2,831.21
Changes in equity share capital during the year	-	-
Balance as at 31 March 2019	11.22	2,831.21

For the year ended 31 March 2018

	₹ Crore	
Balance as at 1 April 2017	48.78	2,819.99
Changes in equity share capital during the year	-	-
Balance as at 31 March 2018	48.78	2,819.99

(B) Other equity

For the year ended 31 March, 2019

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	General reserve	Retained earnings	Remeasurement of defined benefit plans	
Balance as at 1 April 2018	5.61	-	-	-	3.53	-	(200.13)	0.01	(190.98)
Profit for the year	-	-	-	-	-	-	119.20	-	119.20
Other comprehensive income	-	-	-	-	-	-	-	(0.02)	(0.02)
Total comprehensive income	-	-	-	-	-	-	119.20	(0.02)	119.18
Adjustment made during the year	(6.89)	-	-	-	-	-	-	-	(6.89)
Transfer to fly ash utilisation reserve fund	-	-	-	-	0.11	-	-	-	0.11
Balance as at 31 March 2019	12.50	-	-	-	3.64	-	(80.93)	(0.01)	(64.80)

For the year ended 31 March, 2018

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	General reserve	Retained earnings	Remeasurement of defined benefit plans	
Balance as at 1 April 2017	24.39	-	-	-	1.15	-	(233.57)	-	(206.03)
Profit / (Loss) for the year	-	-	-	-	-	-	33.44	-	33.43
Other comprehensive income	-	-	-	-	-	-	-	0.01	0.01
Total comprehensive income	-	-	-	-	-	-	33.44	0.01	33.44
Adjustment during the year	18.78	-	-	-	-	-	-	-	18.78
Transfer to fly ash utilisation reserve fund	-	-	-	-	2.38	-	-	-	2.38
Balance as at 31 March 2018	5.61	-	-	-	3.53	-	(200.13)	0.01	(190.98)

For S. Soony Associates
Chartered Accountants
FRN : 003933S(S. Soondar)
Partner
M No. 023425
(Anil Gargi)
Company Secretary
(M. Manoj Kumar)
Director
(Prakash Triwari)
Chairman
(Debansu Sarkar)
CEO
(Eswari Sanyal)
CFOPlace: Chennai
Date: 15th May 2019

2. Property, plant & equipment

Particulars	As at 31 March 2019		Gross block		As at		Depreciation/amortisation and impairment		Net block	
	As at 01.04.2018	As at 31.03.2019	Additions	Deductions/adjustments	As at 01.04.2018	As at 31.03.2019	Up to 01.04.2018	For the year upto 31.03.2019	As at 01.04.2018	As at 31.03.2019
Land (including development expenses)										
Freehold	122.41	124.57	-	(2.16)	-	-	-	-	-	124.57
Leasehold	18.70	18.70	-	-	-	-	3.07	1.02	4.08	14.62
Roads, bridges, culverts & flyovers	127.30	131.74	4.25	(0.41)	10.09	10.09	10.09	4.46	14.55	117.19
Building	-	-	-	-	-	-	-	-	-	-
Freehold	-	-	-	-	-	-	-	-	-	-
Main plant	755.59	755.71	0.12	-	72.05	72.05	72.05	26.68	98.73	656.99
Others	194.75	230.12	94.75	(0.62)	33.52	33.52	33.52	7.80	21.32	208.80
Temporary erection	0.37	0.69	0.30	(0.02)	0.30	0.69	0.30	0.17	0.29	0.40
Water supply, drainage & sewerage system	21.90	24.64	2.71	(0.03)	2.40	2.40	2.40	1.00	3.40	21.24
Plant and equipment	-	-	-	-	-	-	-	-	-	-
Owned	7,850.54	7,895.07	36.08	(41.35)	1,316.09	1,316.09	1,316.09	461.90	1,774.06	6,071.41
Furniture and fixtures	4.86	37.38	8.02	-	1.82	1.82	1.82	0.79	2.61	34.77
Vehicles including speedboats	-	-	-	-	-	-	-	-	-	-
Owned	0.57	0.56	(0.01)	-	0.10	0.10	0.10	0.03	0.15	0.41
Office equipment	2.80	3.20	0.40	-	0.85	0.85	0.85	0.26	1.15	2.05
CD, WF machines and telecom equipment	3.42	3.28	0.27	0.41	2.27	2.52	2.52	0.66	3.15	1.94
Construction equipments	9.94	11.29	1.35	-	2.54	2.54	2.54	0.99	3.53	7.76
Electrical installations	7.88	8.35	0.73	0.26	1.65	1.65	1.65	0.57	2.22	6.13
Communication equipments	0.74	1.00	0.26	-	0.20	0.20	0.20	0.06	0.26	0.54
Hospital equipments	0.09	0.32	0.03	-	-	-	-	0.01	0.01	0.31
Overhauling Expenses capitalised	16.91	56.03	29.12	-	23.11	23.11	23.11	15.79	38.90	37.13
Assets for ash utilisation	0.48	0.48	-	-	-	-	-	-	-	0.48
* Less: Adjusted from fly ash utilisation reserve fund	0.18	0.48	-	-	-	-	-	-	-	0.48
Total	9,103.07	9,242.85	178.36	38.58	1,450.29	1,450.29	1,450.29	592.24	1,962.78	7,275.08

a) Freehold land includes 75 acres (Previous year 75 acres) of salt pan land of value ₹ 21.57 crore (Previous year ₹ 19.42 crore) which is in physical possession of the company of which 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) Deduction/adjustments from gross block and Depreciation/amortisation/impairment for the year includes:

	Gross block	
	31.03.2019	31.03.2018
Disposal of assets	0.41	-
Retirement of assets	30.36	15.20
Cost adjustments including exchange differences	7.81	(112.97)
Assets capitalised with retrospective effect/write back of excess capitalisation	-	-
Others	38.58	(97.77)
Total	76.96	(95.54)

	Impairment/ amortisation/impairment	
	31.03.2019	31.03.2018
	0.01	-
	4.26	5.09
	0.07	-
	-	-
	-	-
Total	4.74	5.09



Particulars	As at		Additions	Deductions/ adjustments	Capitalised	₹ Crore	
	01.04.2018	31.03.2019				As at 01.04.2018	As at 31.03.2019
Development of land	0.02	0.04	0.06	-	-	-	-
Roads, bridges, culverts & helipads	0.18	4.49	0.42	4.23	0.02	0.02	0.02
Buildings	-	-	-	-	-	-	-
Main plant	54.23	1.92	-	0.12	56.03	56.03	56.03
Others	75.96	66.33	0.62	102.26	39.41	39.41	39.41
Temporary erection	-	0.02	0.02	-	-	-	-
Water supply, drainage and sewerage system	0.17	2.57	0.03	2.71	-	-	-
Plant and equipment	84.12	34.91	(6.03)	1.54	123.52	123.52	123.52
Vehicles	-	-	-	-	-	-	-
Electrical installations	-	-	-	-	-	-	-
Interior Communication equipment	0.55	0.45	-	1.00	-	-	-
Assets for ash utilization	-	-	-	-	-	-	-
Expenditure pending allocation	215.23	110.73	(4.88)	111.86	218.98	218.98	218.98
Other expenditure directly attributable to project construction	0.02	0.02	0.01	0.03	-	-	-
Less: Allocated to related works	-	-	-	-	-	-	-
Construction stores (net of provision)	215.25	110.75	(4.87)	111.89	218.98	218.98	218.98
Total	80.15	1.52	-	-	81.67	81.67	81.67
	295.40	112.27	(4.87)	111.89	300.65	300.65	300.65

a) Material in transit - As at 31st March 2019 - ₹ 2.23 Crores - As at 31st March 2018 - ₹ 2.31 Crores

b) Construction stores are net of provision for shortages pending investigation



Capital work-in-progress As at 31 March 2018	As at		Additions	Deductions/ adjustments	Capitalised	As at 31.03.2018
	01.04.2017	As at				
Particulars						₹ Crore
Development of land	-	-	0.02	-	-	0.02
Roads, bridges, culverts & helpads	6.32	6.32	19.40	0.44	25.10	0.18
Buildings	-	-	-	-	-	-
Main plant	113.61	113.61	4.34	62.19	1.53	54.23
Others	82.40	82.40	29.33	(0.34)	36.11	75.96
Temporary erection	-	-	0.10	-	0.10	-
Water supply, drainage and sewerage system	0.01	0.01	3.98	1.67	2.15	0.17
Plant and equipment	80.54	80.54	61.92	45.20	13.14	84.12
Vehicles	0.39	0.39	-	-	0.39	-
Electrical installations	0.03	0.03	(0.03)	-	-	-
Interior Communication equipment	-	-	0.55	-	-	0.55
Assets for ash utilization	-	-	-	-	-	-
	283.30	283.30	119.63	109.18	78.52	215.23
Expenditure pending allocation						
Other expenditure directly attributable to project construction	0.21	0.21	1.26	-	1.45	0.02
Less: Allocated to related works	-	-	-	-	-	-
	283.51	283.51	120.89	109.18	79.97	215.25
Construction stores (net of provision)	82.56	82.56	-	2.41	-	80.15
Total	366.07	366.07	120.89	111.59	79.97	295.40



4. Non-current financial assets

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
i) Loans		
Employees (including accrued interest)		
Secured	0.02	0.02
Unsecured (considered good)	0.03	0.04
	-	-
Total	0.05	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.

Particulars	As at	
	31.03.2019	31.03.2018
ii) Other financial assets - Security Deposits	-	-
	-	-



5. Other non current assets

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
Capital advances		
Unsecured		
Covered by bank guarantee	1.72	4.16
Others	20.07	20.45
	<u>21.79</u>	<u>24.61</u>
Advances other than capital advances		
Advance tax & tax deducted at source	21.11	21.63
	<u>21.11</u>	<u>21.63</u>
Total	<u><u>42.90</u></u>	<u><u>46.24</u></u>



6. Inventories

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
Coal	419.33	317.32
Fuel oil	17.53	17.16
Stores & spares	96.76	104.87
Chemicals & consumables	15.84	9.38
Loose tools	0.10	0.19
Steel scrap	-	0.02
Others	19.66	23.02
Total	569.22	471.96

Inventories include material-in-transit and under inspection

Coal	328.78	111.16
Stores & spares	8.64	16.11

- a) Inventory items, other than steel scrap have been valued as per accounting policy no. C.6 (Note 1). Steel scrap has been valued at estimated realisable value.
- b) Inventories - Others include steel, cement etc.



7. Trade receivables

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
Trade receivables		
Unsecured, considered good (Outstanding for a period exceeding six months from the date they are due for payment)	199.19	42.70
Unsecured, considered good (Outstanding for a period less than six months from the date they are due for payment)	1,214.03	852.74
	<u>1,413.22</u>	<u>895.44</u>
Less: Allowance for bad & doubtful receivables	-	-
Total	<u>1,413.22</u>	<u>895.44</u>



8. Cash and cash equivalents

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
Balances with banks		
Current accounts	16.55	6.59
Cheques & drafts on hand	-	-
Others (Franking machine balance ₹30069/- as at 31 March 2019, ₹16636/- as at 31 March 2018,)	-	-
Total	16.55	6.59



9. Current loans

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
Loans (including interest accrued)		
Employees (including accrued interest)		
Secured (considered good)	0.01	-
Unsecured (considered good)	0.03	0.05
Total	0.04	0.05



10. Other current financial assets

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
Unbilled revenue	380.43	259.53
Security deposits (unsecured)	52.58	52.58
Total	433.01	312.11

- a) Unbilled revenue is net of credits to be passed to beneficiaries at the time of billing and includes ₹ 510.25 crore (31 March 2018: ₹ 350.83 crore) billed to the beneficiaries after 31 March 2019 for energy sales.



11. Other current assets

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
(unsecured, considered good unless otherwise stated)		
Advances		
Related parties	51.76	111.61
Employees	0.04	0.07
Contractors & suppliers	12.78	3.41
Others	-	-
	<u>64.58</u>	<u>115.09</u>
Claims recoverable	41.67	25.54
	<u>41.67</u>	<u>25.54</u>
Others	0.06	0.08
Total	<u><u>106.31</u></u>	<u><u>140.71</u></u>



12. Regulatory deferral account debit balances

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
On account of Employee benefits expense	8.63	5.69
On account of Deferred tax	492.52	367.79
	<u>501.15</u>	<u>373.48</u>



14. Other equity

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
Fly ash utilisation reserve fund	3.64	3.53
Retained earnings	(80.94)	(200.12)
Total	(77.30)	(196.59)

For the year ended

	31.03.2019	31.03.2018
(a) Fly ash utilisation reserve fund		
Opening balance	3.53	1.15
Add: Transfer from		
Revenue from operations	2.29	4.16
Less: Utilised during the year		
Capital expenditure	-	0.31
Employee benefits expense	1.49	0.87
Other administration expenses	0.69	0.60
Closing balance	3.64	3.53

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	(200.12)	(233.57)
Add: Profit for the year as per Statement of Profit and Loss	119.18	33.45
Closing balance	(80.94)	(200.12)



15. Share Application Money Pending Allotment

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
Share Application money pending allotment		
TANGEDCO	12.50	5.61
NTPC	-	-
Total	12.50	5.61



Particulars	₹ Crores	
	As at 31.03.2019	As at 31.03.2018
16. Non current Borrowings		
Term loans		
From Financial Institutions		
Secured		
Loan from Rural Electrification Corporation - Phase - I	2,968.03	3,047.88
Loan from Rural Electrification Corporation - Phase - II	1,791.20	1,946.95
	<u>4,759.23</u>	<u>4,994.83</u>
Less : Current maturities of long term borrowings		
Loan from Rural Electrification Corporation - Phase - I	296.72	277.01
Loan from Rural Electrification Corporation - Phase - II	155.71	155.71
	<u>452.43</u>	<u>432.72</u>
Less : Interest accrued but not due		
Loan from Rural Electrification Corporation - Phase - I	0.81	0.81
Loan from Rural Electrification Corporation - Phase - II	0.49	0.52
	<u>1.30</u>	<u>1.33</u>
Loan from Rural Electrification Corporation - Phase - I	2,670.50	2770.06
Loan from Rural Electrification Corporation - Phase - II	1,635.00	1790.72
	<u>4,305.50</u>	<u>4,560.78</u>
Total		

a) As on 31.03.2019, the rupee term loans carry interest rate at 10.025% p.a. for Phase-I & 9.8697 % p.a. (floating) for Phase-II. The interest rate will be reset every three years, based on AAA bond rate plus 140 basis points. These are repayable in quarterly instalments 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. Phase-II loan repayment has started from 31.12.2015

b) 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 Corporation Bank on reciprocal basis (towards cash credit facility extended by both).

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



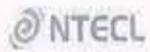


NTPC TAMILNADU ENERGY COMPANY LIMITED
(A Joint Venture of NTPC Ltd. and TANGEDCO)

17. Non current trade payables

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
Trade payable	-	-





NTPC TAMILNADU ENERGY COMPANY LIMITED
(A Joint Venture of NTPC Ltd. and TANGEDCO)

18. Other non current financial liabilities

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
Other liabilities		
Payable for capital expenditure	1.16	1.29
Others	-	-
Total	1.16	1.29



19. Non current liabilities- Provisions

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
Provision for employee benefits		
Opening Balance	0.19	0.18
Additions during the year	0.04	0.02
Adjustments during the year	-	-
Reversals during the year	(0.02)	0.01
Closing Balance	<u>0.24</u>	<u>0.19</u>

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

19 A. Non current liabilities- Deferred tax liabilities

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
Deferred tax liability	492.52	367.79
	<u>492.52</u>	<u>367.79</u>



20. Current borrowings

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
Loans repayable on demand		
From banks		
Secured		
Cash credit	1,575.76	1,424.99
Total	1,575.76	1,424.99

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

The Cash credit 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 Rural Electrification Corporation Limited on reciprocal basis.
- iii) Cash Credit includes WCDC Rs. 1075 crores from Corporation Bank.





NTPC TAMILNADU ENERGY COMPANY LIMITED
(A Joint Venture of NTPC Ltd. and TANGEDCO)

21. Trade Payables

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
For goods and services	<u>475.62</u>	<u>151.61</u>





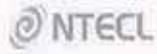
NTPC TAMILNADU ENERGY COMPANY LIMITED
(A Joint Venture of NTPC Ltd. and TANGEDCO)

22. Other current financial liabilities

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
Current maturities of long term borrowings		
From Financial Institutions		
Secured		
Loan from Rural Electrification Corporation - Phase - I	296.72	277.01
Loan from Rural Electrification Corporation - Phase - II	155.71	155.71
	<u>452.43</u>	<u>432.72</u>
Interest accrued but not due on borrowings	6.14	4.18
Advances from customers	-	-
Payable for capital expenditure	472.66	502.73
Total	<u>931.23</u>	<u>939.63</u>

- a) Details in respect of rate of interest and terms of repayment of current maturities of secured and unsecured long term borrowings indicated above are disclosed in Note 16.





NTPC TAMILNADU ENERGY COMPANY LIMITED
(A Joint Venture of NTPC Ltd. and TANGEDCO)

23. Other current liabilities

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
Advances from others	-	-
Other payables		
Tax deducted at source and other statutory dues	5.47	4.37
Deposits from contractors and others	1.67	11.55
Payable to Employees	15.16	11.43
Payable to NTPC	22.17	26.99
Others	53.81	53.83
Total	98.28	108.17



24. Current provisions

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
Provision for		
i) Employee benefits		
Opening Balance	0.41	0.14
Additions during the year	0.03	0.40
Adjustments during the year	-	-
Reversals during the year	0.24	0.13
Closing Balance	0.20	0.41
ii) Shortage In Fixed Assets pending Investigation		
Opening Balance	2.99	0.02
Additions during the year	-	2.97
Adjustments during the year		
Reversals during the year		
Closing Balance	2.99	2.99
ii) Others		
Opening Balance	13.64	7.77
Additions during the year	0.33	6.63
Adjustments during the year	(0.52)	(0.76)
Reversals during the year		
Closing Balance	13.45	13.64
Total (i+ii+iii)	16.64	17.05

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

b) Other obligations include ₹ 7.26 Crore (Previous year ₹ 7.21 crore) towards arbitration award and Provision for development of Green Belt area ₹ 6.04 crore (previous year ₹ 6.43 crore)

24A. Current tax liabilities (Net)

Particulars	₹ Crore	
	As at 31.03.2019	As at 31.03.2018
Current tax (net of advance tax)		
Current Tax payable	106.26	73.50
Less : Adjustment of Advance tax & TDS	106.26	73.50
Total	-	-



25. Revenue from operations

Particulars	₹ Crore	
	For the year ended 31.03.2019	For the year ended 31.03.2018
Energy sales (including electricity duty)	4,094.37	3,546.79
Less : Rebate to Customers	<u>6.01</u>	<u>6.92</u>
	4,088.36	3,539.87
Sale of fly ash/ash products	2.29	4.16
Less: Transferred to fly ash utilisation reserve fund	<u>2.29</u>	<u>4.16</u>
	-	-
Other operating revenues		
Energy internally consumed	<u>0.71</u>	<u>0.40</u>
Total	<u><u>4,089.07</u></u>	<u><u>3,540.27</u></u>

- a) The CERC notified the Tariff Regulations, 2014 in February 2014 (Regulations, 2014). Beneficiaries are billed in accordance with the tariff approved vide order dated 11.07.2017. The amount provisionally billed for the year ended 31 March 2019 is ₹ 4,065.31 crore (31 March 2018: ₹ 3,565.92 crore).
- b) Sales have been recognized at ₹ 4,094.37 crore (31 March 2018: ₹ 3,546.79 crore) on the basis of said Regulations.
- c) Sales for the year ended 31 March 2019 include ₹ NIL (31 March 2018: ₹ 80.32 crore) pertaining to previous years, recognized based on the orders issued by the CERC.
- d) Other operating revenue includes ₹ 0.71 crore (31 March 2018: ₹ 0.40 crore) 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 2018-19 has increased from 2017-18 due to increased availability of units and increase in fuel costs and sales for 2017-18 was lower due to outage of one unit during that period.



26. Other income

Particulars	₹ Crore	
	For the year ended 31.03.2019	For the year ended 31.03.2018
Interest from:		
Employees	-	-
Others (bank deposits)	-	0.08
Advance to contractors	-	7.58
Income tax refunds		0.03
Less : Refundable to beneficiaries	-	-
	-	0.03
Other non-operating income:		
Surcharge received from beneficiaries	13.25	26.21
Hire charges for equipment	0.01	-
Sale of scrap	1.81	1.42
Net gain in foreign currency transactions & translations	0.01	0.03
Miscellaneous income	0.51	0.50
Provisions Written back	-	0.01
Profit on disposal of assets	0.04	0.02
Total	15.63	35.88

- (a) Miscellaneous income includes recoveries from employees and contractors.
(b) Provisions written back - Others include provision for shortage in stores and shortage in fixed assets.



27. Employee Benefits Expense

Particulars	₹ Crore	
	For the year ended 31.03.2019	For the year ended 31.03.2018
Salaries and wages	86.34	79.52
Contribution to provident and other funds	13.88	10.73
Staff welfare expenses	9.84	6.40
	<u>110.06</u>	<u>96.65</u>
Less: Allocated to fuel cost	7.48	5.17
Transferred to fly ash utilisation reserve fund	1.49	0.87
Total	<u><u>101.09</u></u>	<u><u>90.61</u></u>

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



28. Finance Costs

₹ Crore

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Finance charges		
i) on financial liabilities measured at amortised cost		
Rupee term loans	480.67	511.88
Cash credit	97.81	87.09
Unwinding of discount on vendor liabilities	0.46	0.49
Interest under Income tax	-	-
Others	-	-
Sub-Total	578.94	599.45
Less: Transferred to expenditure during construction period (net)	-	-
Total	578.94	599.45



29. Other expenses

₹ Crore

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Power charges	1.31	1.15
Less: Recovered from contractors & employees	0.06	0.07
	1.25	1.08
Water charges	0.39	0.46
Stores consumed	4.41	4.00
Rent	0.08	0.09
Less: Recoveries		
	0.08	0.09
Repairs & maintenance		
Buildings	0.57	0.55
Plant & machinery	167.78	190.51
Construction equipment	-	-
Others	0.97	0.72
	169.32	191.78
Insurance	24.39	18.68
Interest to beneficiaries	11.90	6.16
Rates and taxes	1.92	1.78
Water cess & environment protection cess	0.62	1.44
Training & recruitment expenses	0.16	0.21
Less: Receipts	-	-
	0.16	0.21
Communication expenses	1.47	0.84
Travelling expenses	4.97	3.51
Tender expenses	0.30	0.94
Less: Receipt from sale of tenders	0.01	0.02
	0.29	0.92
Payment to auditors	0.04	0.03
Advertisement and publicity	0.04	0.22
Security expenses	26.41	22.21
Entertainment expenses	1.06	0.50
Expenses for guest house	0.79	0.57
Less: Recoveries	0.04	0.01
	0.75	0.56
Ash utilisation & marketing expenses	0.05	0.11
Directors sitting fee	0.02	0.03
Professional charges and consultancy fee	8.14	4.87
Legal expenses	0.62	0.58
EDP hire and other charges	0.09	0.41
Printing and stationery	0.13	0.07
Hiring of vehicles	2.65	3.07
Net loss in foreign currency transactions & translations	0.03	0.01
Bank Charges	0.15	0.11
Loss on Sale/Retirement of Fixed Assets	26.10	0.08
Office Store, upkeep and maintenance	-	0.12



29. Other expenses

₹ Crore

Particulars	For the year ended	For the year ended
	31.03.2019	31.03.2018
Hire charges of construction equipments	0.32	1.13
Community development expenses	1.01	0.05
Loss of Material in transit written off	-	-
Miscellaneous expenses	1.08	2.87
	<u>289.86</u>	<u>267.98</u>
Less: Allocated to fuel cost	51.81	32.70
Transferred to fly ash utilisation reserve fund	0.69	0.60
Transferred to expenditure during construction period (net)	-	-
	<u>237.36</u>	<u>234.68</u>
Provisions for		
Shortage in fixed assets pending investigation	-	0.08
Others	0.18	2.91
Total	<u>237.54</u>	<u>237.67</u>
a) Spares consumption included in repairs and maintenance	48.31	67.73
b) Details in respect of payment to auditors:		
As auditor		
Audit fee	0.03	0.02
Tax audit fee	0.01	0.01
In other capacity		
Other services (certification fee)	-	-
Reimbursement of expenses & service tax	-	-
Total	<u>0.04</u>	<u>0.03</u>

- c) CERC Regulations provides that where after the truing-up, the tariff recovered is more than the tariff approved by the Commission, the generating Company shall pay to the beneficiaries the over recovered amount along-with simple interest. Accordingly, the interest payable to the beneficiaries amounting to ₹ 13.21 crore (31 March 2018: ₹ 6.16 crore) has been accounted and disclosed as 'Interest to beneficiaries'.
- d) Miscellaneous expenses include expenditure on books & periodicals, brokerage & commission etc.
- e) Provisions - Others include provision for shortage in stores & fixed assets.



30. Expenditure During Construction Period (net)

Particulars	₹ Crore	
	For the year ended 31.03.2019	For the year ended 31.03.2018
A. Employee benefits expense		
Salaries and wages		-
Contribution to provident and other funds		-
Staff welfare expenses		-
Total (A)		-
B. Finance costs		
Finance charges on financial liabilities measured at amortised cost		
Bonds		-
Foreign currency term loans		-
Rupee term loans		-
Foreign currency bonds/notes		-
Unwinding of discount on vendor liabilities		-
Exchange differences regarded as an adjustment to borrowing costs		-
Other borrowing costs		
Management/arrangers fee		-
Foreign currency bonds/notes expenses		-
Others		-
Total (B)		-
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)		-

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



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.

Particulars	₹ Crore	
	31-03-2019	31-03-2018
Profit before tax (including net movement in regulatory deferral account)	151.97	47.67
Tax using the company's domestic tax rate of 34.944% (31.03.2018 - 34.6080%)	53.10	16.50
Tax effect of :		
Non-deductible expenses	0.06	4.19
Minimum alternate tax adjustments	(21.02)	(7.04)
Tax expense in the statement of Profit or Loss	32.14	13.65
Tax expense pertaining to Net movement in Regulatory deferral account	0.63	0.57
Tax expense pertaining to Other Comprehensive Income	0.00	0.00
Total Tax Expense	32.77	14.23



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 ₹ 0.08 crore (31 March 2018: ₹ 0.05 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 2018: ₹ 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 ₹ 13.75 crore (previous year ₹ 10.64 crore) towards provident fund, pension, gratuity, post retirement medical facilities & other terminal benefits and ₹ 5.42 crore (previous year ₹ 4.18 crore) towards leave & other 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 ₹ 0.01 crore (Previous Year - ₹ 0.01 crore) is paid/payable to TANGEDCO for 1 employee (Previous Year 1 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 ₹ 0.04 crore (31 March 2018: ₹ 0.02 crore) for the year have been made on actuarial basis at the year end and debited to the statement of Profit and Loss.

	₹ Crore	
	31-Mar-19	31-Mar-18
Net defined benefit (asset)/liability:		
Non-current	0.23	0.18
Current (Rs. 61112)	0.01	0.00

	Defined benefit obligation	Defined benefit obligation
Particulars	31-Mar-19	31-Mar-18
Opening balance	0.18	0.18
Included in profit or loss	-	-
Current service cost	0.02	0.02
Past service cost	-	-
Interest cost (income)	0.01	-



Total amount recognised in profit or loss	0.04	0.02
Included in OCI	-	-
Actuarial loss (gain) arising from:	-	-
Experience adjustment	0.02	(0.02)
Total amount recognised in other comprehensive income	0.02	(0.02)
Other Benefits paid	-	-
Closing balance	0.24	0.18

i. Actuarial assumptions

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

	31-Mar-19	31-Mar-18
Discount rate	7.75	7.60
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.

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.

	31-Mar-19		31-Mar-18	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(0.02)	0.02	0.02	(0.01)
Salary escalation rate (0.5% movement)	0.01	0.01	0.01	(0.01)

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 sensitivity of the assumptions shown. The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. This analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

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	61,112
1 to 2 Year	46,038
2 to 3 Year	45,565
3 to 4 Year	45,156
4 to 5 Year	40,410
5 to 6 Year	40,283
6 Year onwards	21,66,007



(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 ₹ 0.03 Crore (Previous year ₹ 0.16 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.



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

1. Utility Powercoch Limited (UPL)

iii) Key Managerial Personnel (KMP):

- Shri Gurdeep Singh
 Shri Prakash Tiwari
 Shri Prakash Tiwari
 Shri M. Saikumar
 Smt. Geetha
 Smt. Mahadevan Maheshwari Bai
 Shri. A.N.Shibay
 Shri K.R.C. Murty
 Shri Viazam Kapur
 Shri. C.V. Anand
 Shri. Dilip Kumar Dubey
 Shri. Debasis Sarkar
 Shri. Sastry Evasi
 Shri. Amit Gang
- Chairman (from 23.06.2017 till 06.04.2018)
 Designated as Chairman (from 10.04.2018)
 Director (from 08.12.2017 till 06.04.2018)
 Director (from 15.12.2014 till 10.04.2018)
 Director (from 23.06.2017)
 Director (from 09.08.2016)
 Director (from 13.09.2016)
 Nominee Director (from 22.09.2017 till 03.05.2018)
 Nominee Director (from 10.04.2018)
 Director (from 10.04.2018)
 Nominee Director (from 24.05.2018)
 CEO (from 12.12.2017)
 CFO (from 22.09.2017)
 Company Secretary

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 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.	Pocampular Shipping Corporation Limited
Mahamud. Conifields Ltd.	North Chennai Thermal Power Station
Eastern Coalfields Ltd.	APPC
Railways	Bangalore Electricity Supply Company Ltd.
Hindustan Petroleum Corporation Limited	Mangalore Electricity Supply Company Ltd.
Bharat Petroleum Corporation Limited	Chamundeswari Electric Supply Corp. Ltd.
Steel Authority of India	Gallarga Electricity Supply Company Ltd.
Bharat Heavy Electricals Limited	Hubi Electricity Supply Company Ltd.
Oriental Insurance Company Limited	TANGEDCO
Rites Limited	



b) Transactions with the related parties are as follows:

Particulars	NTPC Limited		TANGEDCO		UPL	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
(i) Sales/purchase of goods and services during the year						
- Contracts for works/services for services received by the Company	7.16				35.00	40.90
- Contracts for works/services for services provided by the Company						
- Sales of Power			2929.59	2484.82		
- Purchase of Power			0.6	3.24		
- Sales of Property and other assets						
- Purchase of Property and other assets						
(ii) Deputation of Employees	18.01	14.82				
(iii) Equity contributions received	5.61	24.39	5.61	24.39		

Particulars	₹ Crore	
	2018-19	2017-18
Compensation to Key management personnel		
- Short term employee benefits	1.73	1.09
Total Compensation to Key management personnel	1.73	1.09

Sl. No.	Name of the Company	Nature of transaction	₹ Crore	
			2018-19	2017-18
1	Central Coalfields Ltd.	Purchase of Coal	2.67	47.37
2	Mahanadi Coalfields Ltd.	Purchase of Coal	671.12	641.28
3	Eastern Coalfields Ltd.	Purchase of Coal	435.83	375.97
4	Railways	Freight Payment	309.30	549.67
5	HPCL	Purchase of oil products	8.95	5.69
6	BPCL	Purchase of oil products	5.19	0.87
7	Steel Authority of India	Purchase of Steel	7.30	12.30
8	BHEL	Plant and Machinery	13.11	1.12
9	BHEL	Repair and Maintenance	12.72	17.27
10	BHEL	Spare Purchase	0.66	15.10
11	ORIENTAL INSURANCE COMPANY LTD.	Insurance	24.39	18.68
12	Rites Limited	Consultancy Work		
13	Poompuhar Shipping Corporation Limited	Hiring of Ships for transport of Coal	219.57	153.99
14	North Chennai Thermal Power Station	Usage of Coal unloading Facilities	21.53	22.01
17	Electricity Department of Government of Puducherry	Sale of Power	76.35	54.50
18	Bharath Earth Movers Limited	Purchase of Equipments	0.52	0.33
19	HMT Limited	Purchase of Equipments	0.63	0.63
20	IDCL	Purchase of oil products	10.03	12.56
21	Instrumentation Limited	Purchase of Equipments	0.16	0.11
22	Tamilnadu Engineering Corporation	Sundry purchase	0.03	



c) Outstanding balances with related parties are as follows:

Particulars	31-Mar-19	31-Mar-18
Amount recoverable for sale/purchase of goods and services		
- From NTPC Limited	37.86	31.91
- From TANGEDCO	986.32	778.78
Amount payable for sale/purchase of goods and services		
- From NTPC Limited	58.01	51.27
- From TANGEDCO	10.14	31.60
- From UPL	10.30	13.21

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 Powerstech 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.



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

(in ₹)

Basic and diluted earnings per share

	31 March 2019	31 March 2018
From operations including regulatory deferral account balances (a)/(d)	0.98	1.47
From regulatory deferral account balances (b)/(d)	0.45	1.31
From operations excluding regulatory deferral account balances (c)/(d)	0.53	0.16
Nominal value per share in ₹	10	10
No. of Equity shares (Basic)	2,82,61,86,279	2,81,61,77,566

(a) Profit attributable to equity shareholders

₹ Crore

	31 March 2019	31 March 2018
From operations including regulatory deferral account balances (a)	276.08	414.88
From regulatory deferral account balances (b)	127.04	369.9
From operations excluding regulatory deferral account balances (c) =(a)-(b)	149.04	44.98

(b) Weighted average number of equity shares

	31 March 2019	31 March 2018
Weighted average number of equity shares for Basic and Diluted EPS (d)	2,82,61,86,279	2,81,61,77,566



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 2019	For the year ended 31 March 2018
TANGEDCO	2929.59	2484.82



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 ₹ 68.48 crore (Previous year ₹ 180.92 crore) is as detailed below.

(i) Capital works

a) The claim of ₹ 146.79 crore appearing in the previous year has since been dismissed by the Delhi Court on 01.08.2018.(IVRCL CASE). There is no further appeal from the party as per available information.

b) A contractor has lodged claims on the company for ₹47.17crore (Previous year ₹ 31.52 crore) seeking Idling charges, escalation, interest and damages towards illegal termination.The case is pending with arbitrator.

c) An amount of ₹0.99 crores (Previous year: Nil) 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 .

d) An amount of Rs. 7.76 crores has been shown as contingent liability in respect of a claim by a contractor in Temporary silo work.Originally the Tribunal has dismissed the claims of the party. Now the party has gone on appeal in Madras High Court against the rejection of claim by Tribunal.

(b). Disputed tax matters

i) Disputed incometax matter pending before Honourable Supreme Court of India amounts to ₹ 0.30 crore (Previous Year ₹ 0.30 crore) which pertains to Assessment Year 2009-10.

ii) For the Asst.year 2013-14 penalty proceedings under section 271(1)(c) has been served for an amount of ₹0.84 crores (Previous year: Nil).

(c). Environmental Related Matter

i) Deposit amount of ₹5 crores 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.

(d). Other Matters-Probable reimbursable contingent liability

i)An amount of ₹2.75 crores (Previous Year ₹ 2.31 crore) has been shown this year as contingent liability in respect of arbitration between a vessel operator and shipping agent(on behalf of NTECL).

ii)An amount of ₹3.67 Crores has been shown this year as contingent liability in respect of arbitration between a vessel operator and shipping agent (on behalf of NTECL).

2. Commitments

a.Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2019 is ₹ 601.92 crore (Previous Year ₹ 633.20 crore).

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



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	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other		
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 contracts Foreign currency options Currency & interest rate swaps and principal only swaps
Market risk – interest rate risk	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps



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, 2019, the Company's most significant customer, accounted for ₹ 810.77 crore of the trade receivables carrying amount (₹ 610.26 Crore of the trade receivables as at March 31, 2018)

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 Corporation Bank, 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:

Particulars	₹ Crore	
	31 March 2019	31 March 2018
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current loans	0.05	0.06
Non-current financial assets		
Cash and cash equivalents	16.55	6.59
Current loans	0.04	0.05
Other current financial assets	433.01	312.11
Total	449.65	318.81
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	1,413.22	895.44



(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:

Ageing as at 31 March 2019						₹ Crore
	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount	402.79	306.44	337.72	57.70	308.57	1,413.22

Ageing as at 31 March 2018						₹ Crore
	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount	277.76	219.17	259.63	52.88	86.00	895.44



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:

Particulars	₹ Crore	
	31 March 2019	31 March 2018
Floating-rate borrowings		
Term loans	-	207.84
Cash Credit	73.74	226.49
Total	73.74	434.33

(ii) Maturities of financial liabilities

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

Contractual maturities of financial liabilities	Contractual cash flows					Total
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	
Non-current borrowings	113.11	339.33	452.44	1,357.31	2,495.75	4,757.93
Current borrowings	1,575.76	-	-	-	-	1,575.76
Trade payables	475.62	-	-	-	-	475.62
Payable for capital expenditure	472.65	-	-	-	-	472.65
Interest accrued on borrowings	6.14	-	-	-	-	6.14
Payable to employees	15.16	-	-	-	-	15.16
Others	81.45	1.67	-	-	-	83.11



39. Financial Risk Management - Liquidity Risk

31 March 2018

₹ Crore

Contractual maturities of financial liabilities	Contractual cash flows					Total
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	
Non-current borrowings	108.18	324.54	432.72	1,298.16	2,829.90	4,993.50
Current borrowings	1,424.99	-	-	-	-	1,424.99
Trade payables	151.61	-	-	-	-	151.61
Payable for capital expenditure	502.73	-	-	-	-	502.73
Interest accrued on borrowings	4.18	-	-	-	-	4.18
Payable to employees	11.43	-	-	-	-	11.43
Others	85.19	11.55	-	-	-	96.74



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-statement/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, 2019 and March 31, 2018 are as below:

₹ Crore

Particulars	31 March 2019		31 March 2018	
	USD	EURO	USD	EURO
Financial liabilities				
Trade and other Payables	21.22	15.41	33.90	35.12

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 would not be very significant. Therefore, Sensitivity analysis for currency risk is not disclosed.



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:

Particulars	₹ Crore	
	31 March 2019	31 March 2018
Financial assets		
Fixed-rate instruments		
Employee Loans	0.05	0.06
	0.05	0.06
Financial liabilities		
Variable-rate instruments		
Rupee term loans	4,757.93	4,993.50
	4,757.93	4,993.50

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.

	₹ Crore	
	100 bp increase	100 bp decrease
31 March 2019		
Rupee term loans	(52.58)	52.58
31 March 2018		
Rupee term loans	(52.78)	52.78



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 2019	31 March 2018
Total liabilities	6,333.70	6,418.49
Less : Cash and cash equivalent	16.55	6.59
Net debt	6,317.15	6,411.90
Total equity	2,766.42	2,629.01
Net debt to equity ratio	2.28	2.44



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

(i) Nature

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).

The amount provided for pay revision w.e.f 01.01.2017 is accounted as regulatory assets as company expect that same will be recoverable from beneficiary through CERC tariff revision.

(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 2019	31 March 2018
A. Opening balance	373.48	3.00
B. Addition during the year	2.94	2.79
C. Amount collected/refunded during the year	-	0.10
D. Deferred tax	124.73	367.79
E. Regulatory income/(expense) recognized in the Statement of Profit & Loss (B-C)	2.94	2.69
F. Closing balance (A+D+E)	501.15	373.48
Tax on Regulatory Income at E above	0.63	0.57



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:

Particulars	₹ Crore	
	31 March 2019	31 March 2018
A. Amount required to be spent during the year	0.21	-
B. Amount spent during the year	-	-
a) Construction/acquisition of any asset	0.85	-
b) On purposes other than a) above	0.16	0.05
Total	1.01	0.05

Amount spent during the year ended 31 March 2019

Particulars	₹ Crore		
	In cash	Yet to be paid in cash	Total
a) Construction/acquisition of any asset	0.59	0.26	0.85
b) On purposes other than a) above	0.16	-	0.16

Amount spent during the year ended 31 March 2018

Particulars	₹ Crore		
	In cash	Yet to be paid in cash	Total
a) Construction/acquisition of any asset	-	-	-
b) On purposes other than a) above	0.05	-	0.05



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 (-) ₹ 1.75 crore and (previous year (-) ₹ 3.76 crore).
- ii) The amount of exchange differences (net) debited to the statement of profit & loss is ₹ 0.03 crore (previous year credit of ₹ 0.02 crore)

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

Borrowing costs capitalised during the year are ₹ NIL crore (previous year ₹ NIL crore).

F. **Disclosure as per Ind AS 17 on 'Leases'**

Operating Lease

i Leases as lessee

Expenses on operating leases of the premises for residential use of employees amounting to ₹ 0.13 crore (previous year ₹ 0.72 crore) 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 1 ' Presentation of financial statements'

The Company has followed/ adopted the opinion of the Expert Advisory Committee EAC/1662/18 of the Institute of Chartered Accountants of India wherein it has recommended to present the Deferred Asset for Deferred Tax Liability under the head of Regulatory Deferral Account. Accordingly, previous years figures have been reclassified.

1. Information in respect of Micro, Small and Medium Enterprises as at 31st March 2019 as required by Micro, Small and Medium Enterprises Development Act, 2006

Particulars	₹ in Crore	
	Current year	Previous year
a) Amount remaining unpaid to any supplier:		
Principal Amount	4.02	4.65
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	-	-

For S.Sonny Associates
Chartered Accountants
FRN : 003935S


(S.Sundar)
Partner
M.No.023425

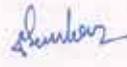

(Amit Garg)
Company Secretary

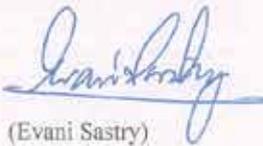
For and on behalf of the Board of Directors


(M.Maheswari Bai)
Director


(Prakash Tiwari)
Chairman

Place : Chennai
Dated : 15th May 2019


(Debasis Sarkar)
CEO


(Evani Sastry)
CFO



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, 2019, 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

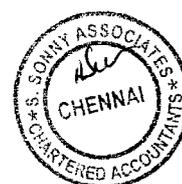
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid separate Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31 March, 2019, 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 for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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.

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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility

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

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

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) 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 "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. 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, 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.

3. As per the direction issued by C&AG of India under Section 143(5) of the Companies Act, 2013 we report that:-

i. The Company is having clear title for entire land except for 75 acres of freehold land valuing `21.57 crore and 62.81 acres of leasehold land valuing ` 24.21crore. According to the information and explanation given to us, reasonable steps are being taken by the Company for getting the titles of these lands in its favour.

ii. The Company is in the business of generation and transmission of electricity. The allocation of electricity to the various State Distribution Companies is made by the Ministry of Power, Govt. of India and the company sells the power to the State Discoms. The Company does not provide loan to any of its customers. However, the advances are given to some of its project executing agencies and same is being adjusted against their bills. The loan and advances are also given to its employees and the same is recovered from their salary. According to information and explanations given to us, there are no cases of waiver/ write off of debts/ loans/ interest etc.

iii. The records are maintained by the company for inventories lying with the third parties and according to information and explanations given to us, there is no case of gift received by the Company from Government or other authorities.

For S.Sonny Associates
Chartered Accountants
FRN -003935S

Place: Chennai
Date: 15th May 2019


[S.Sundar]
Partner
M.No.023425



ANNEXURE 1 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 2019

- i.
- a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant & Equipment).
- b) The fixed assets have been physically verified by the management according to a regular programme 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 has satisfactory title to all assets appearing in the balance sheet except for 75 acres for 75 acres of freehold land valuing 21.57 crore and 62.81 acres of leasehold land valuing 24.21 crore. The company is taking appropriate steps for completion of legal formalities in this regard.
- (ii) The inventory has been physically verified by the management at reasonable intervals and material discrepancies noticed on physical verification have been properly dealt with in the books of accounts.
- (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 clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) 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 public 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.
- (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, Sales Tax, Service tax, Customs Duty, Excise Duty, Cess 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 which have not been deposited on account of any dispute.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks, Government or the dues to the debenture holders.

(ix) 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.

(x) 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 or employees, noticed or reported during the year nor we have been informed of such case by the management.

(xi) As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to Government Companies. Therefore, clause 3(xi) of the Order is not applicable to the Company.

(xii) The Company is not a Nidhi Company. Therefore the Provisions of Clause 3 (xii) 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) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.

(xv) According to the information and 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) 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.

For S.Sonny Associates.
Chartered Accountants
Firm Reg. No. 003935S

Place: Chennai
Date: 15th May 2019


[S.Sundar]
Partner
M. No.023425



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 2019

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 Tamilnadu Energy Company Private Limited ("the Company") as of 31st March 2019 in conjunction with our audit of the IND AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls 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, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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.

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 2019, 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.Sonny Associates.
Chartered Accountants
Firm Reg. No. 003935S**

Place: Chennai
Date: 15th May 2019


[S.Sundar]
Partner
M. No.023425





Annexure - A. Confidential 4/2

भारतीय लेखा तथा लेखा परीक्षा विभाग
कार्यालय महानिदेशक वाणिज्यिक लेखा परीक्षा
तथा पदेन सदस्य लेखा परीक्षा बोर्ड, चेन्नै

Indian Audit and Accounts Department
Office of the Director General of Commercial Audit
and Ex-Officio Member Audit Board, Chennai

No. DGCA/CA-I/4-303/NTECL A/cs/2019-20/146

Dated: 13th June, 2019

To

The Chairman,
NTPC Tamilnadu Energy Company Limited,
Vallur Thermal Power Project,
NCTPS (PO) Thiruvallur 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 of NTPC Tamilnadu Energy Company Limited for the year ended 31 March 2019.

I am to 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 Tamilnadu Energy Company Limited for the year ended 31 March 2019. Further five (5) copies of the Printed Annual Report (2018-19) may kindly be furnished to this office.

Receipt of this letter may kindly be acknowledged.

Yours faithfully,

(S.SURESH KUMAR)

Principal Director of Commercial Audit and
ex-officio Member, Audit Board, Chennai

Encl: Audit Comment

→ Let us put a Board note for
information. Shankar
→ GM(F.A) 21/6/19



इंडियन ऑइल भवन, स्तर - 2, 139, महात्मा गाँधी मार्ग, चेन्नै 600 034
Indian Oil Bhavan, Level - 2, 139, Mahatma Gandhi Road, Chennai - 600 034
Tel. : 044-28330147. Fax : 044-28330142/45 e-mail : mahchennai@cdg.gov.in

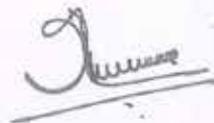
**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL
STATEMENTS OF NTPC TAMILNADU ENERGY COMPANY LIMITED FOR THE
YEAR ENDED 31 MARCH 2019**

The preparation of financial statements of NTPC Tamilnadu Energy Company Limited for the year ended 31 March 2019 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 auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 15 May 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of NTPC Tamilnadu Energy Company Limited for the year ended 31 March 2019 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.SURESH KUMAR)
Principal Director of Commercial Audit and
ex-officio Member, Audit Board, Chennai

Place: Chennai
Date: 13.06.2019

Vallur Thermal Power Project

Site Office : Valluvoyal Chavadi P.O., Ponneri Taluk, Chennai - 600 103.
Phone : 044 - 6535 1053, 6535 1039, Fax : 044-2796 8759

RefNo. : NTECL/GOVT AUDIT 2018-19

Date: March 18, 2019

Sr. Audit Officer
Indian Audit and Accounts Department
Office of the Principal Director of Commercial Audit &
Ex-officio Member, Audit Board, Chennai
Indian Oil Bhavan, 1st Floor,
139, Mahatma Gandhi Road,
Chennai - 600 034.

Dear Sir,

Sub: Request for Phase Audit

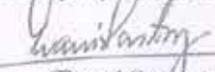
It was a pleasure meeting you along with senior officials of your department on 28th February 2019 at your office. We thank you for the hospitality extended by you. We truly appreciate your efforts to conduct the meeting for deliberation on the modalities of audit of our accounts.

We understand that the aim of audit is to produce and maintain the highest quality of accounts year after year. To this end, as discussed during the meeting we would like to request you to conduct phase audit of accounts of NTPC Tamil Nadu Energy Company Limited, Chennai for the year 2018-19 onwards. This would help immensely since phase audit can be done concurrently with statutory audit so that the findings and suggestions of your audit team can be incorporated in the accounts before they are placed for adoption by the Board of Directors. The compliance phase can be conducted subsequently.

We would be highly grateful if you could consider our request.

Thanking you,

Yours faithfully,
For NTPC Tamil Nadu Energy Company Limited


(Evani Sastry)
General Manager (Finance)

NTPC Tamil Nadu Energy Company Limited

CIN: U40108DL2003PLC120487

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

Tel. no.: 011-24387789 Fax: 011-24360241

Email: amitgarg@ntpc.co.in; Website: www.ntpcntecjv.co.in

ATTENDANCE SLIP

16TH ANNUAL GENERAL MEETING TO BE HELD ON 25TH September, 2019 at 10.30 A.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 16th Annual General Meeting of the Company held on 25th September, 2019 at 10.30 A.M at NTPC Bhawan, Core-7, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110 003.

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 will be distributed at the Annual General Meeting.**

NTPC Tamil Nadu Energy Company Limited

CIN: U40108DL2003PLC120487

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

Tel. no.: 011-24387789 Fax: 011-24360241

Email: amitgarg@ntpc.co.in; Website: www.ntpcntcljv.co.in

FORM OF PROXY

Name of the member (s):	
Registered address:	
Folio No/ DP ID- Client Id:	
Email ID	
No. of Shares held	

I/We, being the member (s) of shares of the above named company, hereby appoint:

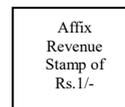
1.	Name:	
	Address:	
	E-mail Id:	
		Signature:
Or failing him		
2.	Name:	
	Address:	
	E-mail Id:	
		Signature:
Or failing him		
3.	Name:	
	Address:	
	E-mail Id:	
		Signature:

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 _____ at NTPC Bhawan, Core-7, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110 003 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	For	Against
Ordinary Business			
1.	Adoption of audited financial statements of the Company for the year ended March 31, 2019, the reports of the Board of Directors and Auditors thereon.		

2.	Re-appointment of Shri. Prakash Tiwari (DIN: 08003157), who retires by rotation		
3.	Fixation of remuneration of Statutory Auditors		
Special Business			
4.	Ratification of remuneration of the Cost Auditors for the financial year 2018-19		
5.	To appoint/re-appoint Shri. Animesh Nandan Sahay (DIN: 02376882), as Independent Directors		

Signed this..... day of..... 2019

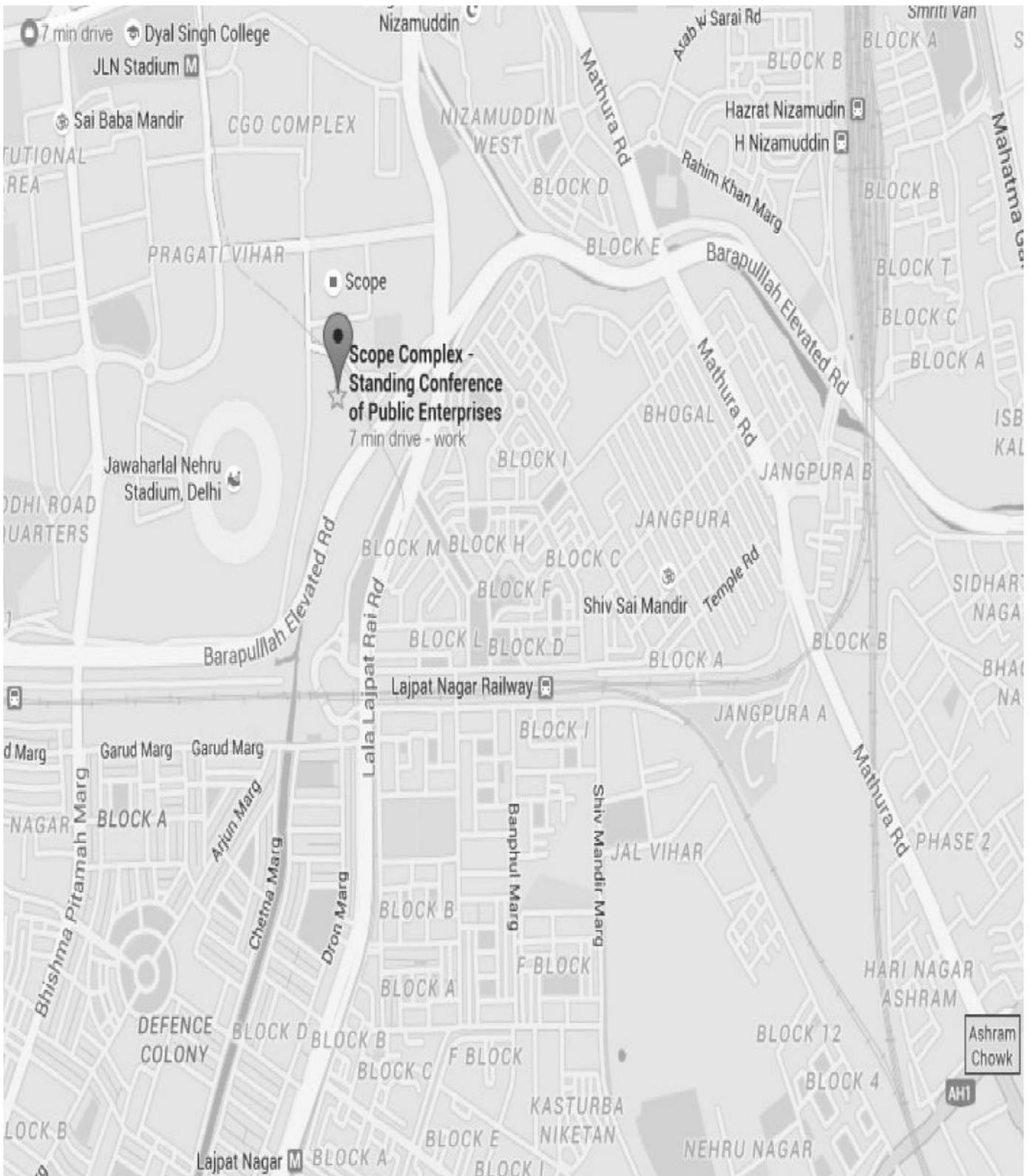


Signature of shareholder

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.



NOTES

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**NTPC TAMIL NADU ENERGY COMPANY
BOARD OF DIRECTORS AND OTHER SENIOR OFFICIALS**



NTPC Tamilnadu Energy Company Ltd

(A Joint Venture of NTPC Ltd & TANGEDCO)

CIN : U40108DL2003PLC120487

**Registered Office : NTPC Bhawan, Core -7, SCOPE Complex,
7, Institutional Area, Lodhi Road, New Delhi- 110 003**

Ph. : 011-24387889, Fax : 011-24360241,

Email : amitgarg@ntpc.co.in Web: www.ntpcntecjv.co.in